ANNUAL
REPORT
COMMUNITY
DEVELOPMENT

FOR THE FISCAL YEAR ENDED

MARCH 31, 2004

Note to Readers:

Copies of the annual report are available on the website or by contacting:

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PREFACE

Public Accounts 2003-04

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 2004 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Community Development contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Community Development regulated funds and provincial agencies for which the Minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2004, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 8, 2004, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Gene Zwozdesky

Gene Zwozdesky
Minister of Community Development

Message from the Minister

It is my pleasure to present to Albertans the 2003-04 annual report for the Ministry of Community Development. As demonstrated throughout the report, many successes were realized through effective partnerships, a dedicated volunteer base, a strong cross-ministry commitment, and the support of involved Albertans, communities and ministry staff.

The ministry focused on promoting the sounds of the Alberta music scene. Key support was provided for the 2004 Juno Awards. As well, the *Made in Alberta* compilation CD was released for distribution nationally and internationally. It features Alberta artists representing a variety of musical influences, styles and areas of the province. The grants budget for the Alberta Film Development Program was doubled to $10 million. Per capita funding for libraries was increased, as was funding for sports, the arts, historic resources, volunteerism, and educational diversity projects.

The ministry coordinated the involvement of Team Alberta at the 2003 Western Canada Summer Games in Manitoba, and the 2004 Arctic Winter Games in the Regional Municipality of Wood Buffalo. Both teams achieved the best Alberta results ever at these games.

The ministry launched the *Help Make a Difference* initiative to create awareness about the benefits of intercultural understanding and to encourage Albertans to contribute to building a fair and respectful society. In partnership with Global Television, six television public service announcements were produced and shown across the province.

The Office for Disability Issues was established within the ministry to facilitate stronger coordination of programs and policies impacting Albertans with disabilities.

As part of Alberta's Centennial Initiative, I announced approval for 35 community-based Phase 2 Centennial Legacy Projects totalling $25 million to support recreational and cultural facilities, heritage sites and museums. These funds were allocated equally over 2003-04 and 2004-05 in Alberta Infrastructure's budget. Also, three government Centennial projects were completed: the Provincial Archives of Alberta, the ATCO Tyrrell Learning Centre at the Royal Tyrrell Museum of Palaeontology, and the *Wild Alberta Gallery* at the Provincial Museum of Alberta.

Efforts to promote a reinvestment in Alberta's provincial parks resulted in the announcement of a one-time allocation of $21 million over the next three years to upgrade provincial parks' water and sewage infrastructure as well as to address other safety hazards. With this investment of new funding, necessary repairs and improvements to drinking water and sewer systems will be made at several provincial parks.

Thank you to ministry staff, agencies, foundations and government colleagues, as well as to community, private sector, municipal and federal government partners who contributed to the ministry's ability to preserve and present Alberta's cultural and natural heritage, and promote community development, fairness and an inclusive society.

Gene Zwozdesky

Gene Zwozdesky
Minister

Management's Responsibility for Reporting

The Ministry of Community Development includes the Department of Community Development; the agencies, boards, commissions, foundations, and the Human Rights, Citizenship and Multiculturalism Education Fund, listed in the ministry entities chart on page three; and the Historic Resources Fund.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Community Development. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Community Development any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

William J. Byrne
Deputy Minister
September 8, 2004

OVERVIEW

MINISTRY ENTITIES

Ministry of Alberta Community Development

- **Department of Community Development**
  - Community and Citizenship Services
    Ph: (780) 427-5714
  - Community Support Systems
    Ph: (780) 427-4090
  - Cultural Facilities and Historical Resources
    Ph: (780) 431-2300
  - Parks and Protected Areas
    Ph: (780) 427-3582
  - Ministry Support Services
    Ph: (780) 427-2925
  - Francophone Secretariat
    Ph: (780) 415-3348
  - Alberta 2005 Centennial Initiative
    Ph: (780) 415-2005
- **Agencies, Boards, Commissions, Foundations and Funds**
  - Alberta Foundation for the Arts
    Ph: (780) 415-0283
  - Alberta Sport, Recreation, Parks and Wildlife Foundation
    Ph: (780) 415-1167
  - The Wild Rose Foundation
    Ph: (780) 427-2579
  - Alberta Human Rights and Citizenship Commission
    Ph: (780) 427-3116
  - Human Rights, Citizenship and Multiculturalism Education Fund
    Ph: (780) 427-3116
  - Persons with Developmental Disabilities Boards
    Ph: (780) 427-1177
  - Premier's Council on the Status of Persons with Disabilities
    Ph: (780) 422-2451
  - The Alberta Historical Resources Foundation
    Ph: (780) 431-2313
  - The Government House Foundation
    Ph: (780) 427-2309

OPERATIONAL OVERVIEW

The ministry consists of the department, agencies, boards, commissions and foundations. The following description of the ministry's structure provides an overview of the range of programs and services available to Albertans.

Department

1. Community and Citizenship Services

The Community and Citizenship Services Division works to promote community development activities within a wide range of community interests. The range of operations for the division includes grant assistance programs, consultation and information services and facilitation, and legislative compliance. The Libraries, Community and Voluntary Sector Services Branch supports the province-wide public library and information networks, offers programs to enhance volunteerism and the voluntary sector, assists communities and government agencies, and provides operational support to the division. The Sport and Recreation Branch promotes and supports participation in sport and recreation. The Arts Development Branch promotes and supports arts and culture activities as well as cultural industries. The Human Rights and Citizenship Branch ensures the protection of human rights and promotes fairness and access.

2. Community Support Systems

The Community Support Systems Division provides leadership in advancing quality of life for Albertans by focusing on four key areas: liaison and support to Persons with Developmental Disabilities Boards; liaison and support to the Premier's Council on the Status of Persons with Disabilities; Protection for Persons in Care; and program and policy development arising from the *Building Better Bridges* Report – in particular, program and policy development related to adults with an acquired brain injury and those persons with disabilities falling outside traditional department/ program mandates. This division also includes the newly established Office for Disability Issues, which assists government in responding to the *Alberta Disability Strategy* and facilitates stronger coordination of programs and policies impacting Albertans with disabilities.

3. Cultural Facilities and Historical Resources

The Cultural Facilities and Historical Resources Division preserves, protects and presents Alberta's history and culture. It does this by operating, in consultation and/or partnership with cooperating societies, provincial historic sites, museums and interpretive centres, the Provincial Archives of Alberta and the Northern and Southern Alberta Jubilee Auditoria. It also maintains provincial heritage collections, provides assistance to community-based preservation and presentation projects and provides protection for significant resources. The division operates five branches: Historic Sites and Cultural Facilities, Heritage Resource Management, Provincial Archives of Alberta, Provincial Museum of Alberta, and Royal Tyrrell Museum of Palaeontology.

4. Parks and Protected Areas

The Parks and Protected Areas Division preserves, protects and presents Alberta's provincial parks and protected areas. The division is responsible for Alberta's 520 provincial parks and protected areas, which includes: 68 provincial parks, one heritage rangeland, 32 wildland provincial parks, one wilderness park, three wilderness areas, 16 ecological reserves, 149 natural areas and 250 provincial recreation areas, protecting 27,515 square kilometres of the province as a legacy for future generations. This network of parks and protected areas provides opportunities for outdoor recreation, heritage appreciation and heritage tourism. The division also maintains the Alberta Natural Heritage Information Centre, which is the province's biodiversity database, and coordinates Alberta's involvement in the Canadian Heritage Rivers program.

5. Ministry Support Services

Ministry Support Services includes the Minister's Office, Deputy Minister's Office and Communications. It also includes the Strategic Corporate Services Division encompassing Strategic Financial Services, Business Planning and Performance Measurement, Human Resources, Freedom of Information and Protection of Privacy and Records Management, and Information Systems. The area of business continuity was added to the division's scope of responsibility in 2003-04. Services are provided to the entire ministry to optimize efficiency in the ministry's operations.

6. Francophone Secretariat

The Francophone Secretariat serves as a liaison between the Government of Alberta and Alberta's Francophone community. It facilitates access to various government departments and programs for Francophone groups and organizations involved in community development. The Minister and Secretariat also represent the province and the Francophone community at federal/provincial/territorial meetings on Francophone affairs.

7. Alberta 2005 Centennial Initiative

The Alberta 2005 Centennial Initiative is responsible for planning Alberta's 100th anniversary celebrations and leaving behind a valuable, lasting legacy. The initiative works to encourage and support communities as they plan special events, build commemorative public facilities and create other unique tributes to recognize our province's past, present and future. The initiative is also responsible for planning provincial celebrations and festivities to mark the province's September 1, 2005, birthday.

Agencies, Boards, Commissions and Foundations

1. Alberta Foundation for the Arts

The Alberta Foundation for the Arts encourages and supports the development of artists and arts organizations and promotes public access to the arts throughout Alberta. The foundation makes recommendations to the Minister for grants to individuals and arts organizations. Grants assist Alberta artists in their development and provide opportunities for public participation in and enjoyment of the arts.

2. Alberta Sport, Recreation, Parks and Wildlife Foundation

The Alberta Sport, Recreation, Parks and Wildlife Foundation facilitates opportunities for developing athletes who aspire to competitive excellence, promotes healthy active living and encourages the preservation and recreational use of the natural environment. The foundation makes recommendations to the Minister for grants to recreation and sport organizations and individuals for the development of sport, recreation, parks and wildlife activities in the province.

3. The Wild Rose Foundation

The Wild Rose Foundation supports community volunteerism and the voluntary sector. The foundation makes recommendations to the Minister for grants to community organizations. It also works in partnership with Alberta-based non-governmental organizations to provide international aid in developing countries.

4. Alberta Human Rights and Citizenship Commission

The Alberta Human Rights and Citizenship Commission is an independent commission of the Government of Alberta reporting through the Minister. The commission protects human rights in Alberta by resolving complaints made under the *Human Rights, Citizenship and Multiculturalism Act*. Human rights panels adjudicate complaints that cannot be resolved. The commission also works, through education and other services, to eliminate discrimination and barriers to full participation in society.

5. Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee

The Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee provides the Minister with advice on the use of the Human Rights, Citizenship and Multiculturalism Education Fund, reviews grant applications and makes recommendations on grants to the Minister.

6. Persons with Developmental Disabilities Boards

Persons with Developmental Disabilities (PDD) Boards provide supports that enable adult Albertans with developmental disabilities to live, work and participate in their communities. The PDD Provincial Board is a Crown Corporation that derives its authority from the *Persons with Developmental Disabilities Community Governance Act*. Six regional boards report to the Provincial Board: the Northwest Region Community Board, the Northeast Region Community Board, the Edmonton Region Community Board, the Central Region Community Board, the Calgary Region Community Board and the South Region Community Board.

7. Premier's Council on the Status of Persons with Disabilities

The mission of the Premier's Council on the Status of Persons with Disabilities is to champion significant improvements in the status of Albertans with disabilities. The council's core business is focused on three main areas: policy development, systemic advocacy and evaluation. The council fulfills its mission by listening to the concerns of the disability community and communicating those concerns to the Government of Alberta. The council also provides advice, guidance and counsel to the newly established Office for Disability Issues.

8. The Alberta Historical Resources Foundation

The Alberta Historical Resources Foundation provides grant assistance for community-based heritage initiatives across the province. These initiatives include restoration of historical buildings and main street heritage districts as well as development of interpretive markers, publications and educational projects. In addition, the foundation holds historic designation hearings as required and is responsible for the naming of geographical features in Alberta.

9. The Government House Foundation

The Government House Foundation cares for and promotes the interests of Government House, the former home of the Lieutenant Governors of the province of Alberta. The foundation advises the Minister on the preservation of Government House as an historic site and building and enhances the physical attributes of Government House, including its works of art and furnishings.

SUMMARY OF KEY ACTIVITIES

The ministry had a successful year completing projects that were ultimately recognized by four Premier's Award of Excellence tributes. These are indicative of the creativity, hard work and effort this ministry puts into serving the needs of Albertans. The recipients were: ATCO Tyrrell Learning Centre Project (Gold), Calgary Persons with Developmental Disabilities Graduated Supports (Silver), Interagency Co-operative Mountain Pine Beetle Management Team (Silver shared with Alberta Sustainable Resource Development), and *Wild Alberta Gallery* (Bronze shared with Alberta Infrastructure).

The Travelling Exhibition Program of the Alberta Foundation for the Arts (AFA) visited 123 communities across the province and appeared in 176 venues including schools, libraries, public health centres and historical facilities. Travelling exhibitions featured works from the AFA's art collection and from galleries across the province.

Sessions to examine public awareness of Alberta's film rating system and to understand parents' key concerns with movie content were held in Edmonton, Stettler and Calgary. Feedback from these sessions will be used to raise awareness about the purpose of the rating system and how it can be used to make informed viewing choices.

More than 2,200 Aboriginal children and youth took part in the Arts Camp component of Alberta's Future Leaders Program, which took place in 12 Aboriginal communities during the summer of 2003. Supported by the Alberta Sport, Recreation, Parks and Wildlife Foundation, this program is a partnership among provincial and federal agencies, communities and private sector businesses.

The Wild Rose Foundation's grants program awarded approximately $4.3 million to 123 non-profit organizations that offer programs in human, social or community services. The foundation supports projects that provide a direct service to communities and respond to community needs and issues. It also supports projects that develop and enhance the organizational capacity of non-profit organizations for self-reliance and sustainability of outcomes.

The ministry awarded over $19.5 million in grants to support public libraries, including support for the increased costs of service delivery, and met with staff and trustees from library boards to ensure boards were in compliance with provincial legislation and regulations.

The ministry was instrumental in the development of new Francophone schools in St. Albert and Cold Lake, the establishment of a new bilingual nursing program at Faculté Saint-Jean and the holding of artistic and cultural community events that support the Francophone community.

The *Blind Persons' Rights Amendment Act* received royal assent. The act addresses key areas raised by stakeholders regarding the existing *Blind Persons' Rights Act* and includes changes to legislation for individuals who rely upon the use of guide dogs, as well as higher maximum fines for offences under the act.

A plain language initiative was pursued to ensure that documents and reports, especially those involving legal concepts related to human rights, are clear and understandable. As well, a user evaluation of the Alberta Human Rights and Citizenship Commission's website was undertaken to help determine how the website can be improved to make it easier for visitors to find information.

The ministry contracted with community agencies around the province to provide community living supports for individuals with brain injury and to address gaps in service. The ministry also received and reviewed 676 reports of alleged abuse regarding protection for persons in care. Stakeholder consultation on the legislative review of the *Protection for Persons in Care Act* continued.

The Minister appointed or reappointed more than 40 community and business leaders to the seven Persons with Developmental Disabilities Boards, completing a successful board recruitment process.

The new Provincial Archives of Alberta, located on 17 acres of land, was officially opened to the public. It is one of the few archives in Canada to house a public reading room and all of its holdings in a single location.

The Royal Tyrrell Museum of Palaeontology completed the ATCO Tyrrell Learning Centre and delivered its first children's educational programs in May 2003. It also received an Alberta Teachers' Association *Friend of Public Education Award* for its participation with Greentree School on television productions, interaction and feedback on school program development and participation in museum special events.

As part of the first phase of planning for renewal of the Provincial Museum of Alberta, an extensive consultation process was completed. In all, approximately 2,000 Albertans were consulted in focus groups, one-on-one interviews and through telephone surveys and paper questionnaires.

The Ukrainian Cultural Heritage Village received an award from the Alberta Therapeutic Recreation Association for its site driving tours. These tours, offered to residents of extended care and/or retirement facilities, enable older visitors with limited mobility to tour this extensive historic site in ease and comfort.

A new education strategy was implemented in Alberta's parks and protected areas to integrate interpretation and environmental education and to broaden the audiences for these services. As well, the Fish Creek Environmental Learning Centre at Fish Creek Provincial Park celebrated 20 years of educational programming.

One of the most popular year-round recreation destinations in the province, Kananaskis Country, celebrated its 25th anniversary.

The 2003 Parks and Protected Areas Volunteer Conference was held in William A. Switzer Provincial Park to recognize the valuable role volunteers play in the management of Alberta's parks and protected areas and to provide an opportunity for volunteers to enhance their skills.

In order to ensure public safety and reduce fire risk, extensive campfire bans, trail closures and travel bans were required in a number of provincial parks and recreation areas in southern Alberta during the summer of 2003 in response to the prolonged drought and above average temperatures.

With the proclamation of the *Wilderness Areas, Ecological Reserves, Natural Areas and Heritage Rangelands Act* in June 2003, the heritage rangeland designation became a new class of protected area. The Black Creek Heritage Rangeland in the Whaleback region became Alberta's first heritage rangeland to be designated under this legislation.

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Community Development's performance measures included in the *2003-2004 Annual Report of the Ministry*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2003.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2003-2004 Annual Report of the Ministry of Community Development*.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
July 29, 2004

RESULTS ANALYSIS

VISION, MISSION AND CORE BUSINESSES

Vision

A vibrant province where Albertans experience fair opportunity and the quality of life to which they aspire.

Mission

To preserve and present Alberta's cultural and natural heritage, and promote community development, fairness and an inclusive society.

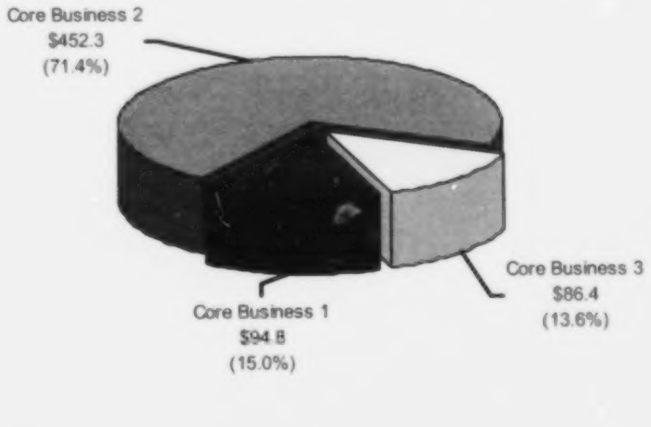
Core Businesses

The ministry organizes delivery of its programs and services around the following three core businesses:

1. Support individuals and organizations through community development;
2. Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans; and
3. Preserve, protect and present Alberta's history, culture, provincial parks and protected areas.

Expense by Core Business

Expense by core business - $633.5 million
(in millions)



GOALS, STRATEGIES AND PERFORMANCE MEASURES

Core Business 1

Support individuals and organizations through community development

Goal 1.1

Support a high quality of life in Alberta by working in collaboration with individuals, organizations and communities to increase local capacity for self-reliance in the arts and culture, sport and recreation, library and voluntary sectors.

STRATEGY 1.1.1

Build capacity in the voluntary sector, government ministries, boards and commissions by assisting members of these groups to achieve their self-defined community development goals.

The ministry provided capacity-building workshops and consultations to approximately 8,300 Albertans from government ministries, rural and urban voluntary sector organizations, agencies that serve the voluntary sector, and various boards. As part of the Board Development Program, the ministry delivered 91 workshops to non-profit boards.

The ministry helped plan and facilitate the Premier's Roundtable on Family Violence and Bullying. As part of this initiative, ministry staff facilitated 13 regional roundtable discussions throughout the province. Staff also designed and facilitated the MLA public meeting process for the Rural Development Initiative, which enabled the successful completion of the second phase of the public input process. This process resulted in the report *Rural Alberta – Land of Opportunity*, which lay the foundation for a rural development strategy in Alberta.

Based on input from voluntary sector leaders, the Wild Rose Foundation facilitated the design and development of a new program called the Leadership Training Institute. The institute offered eight highly successful leadership training courses across the province. These courses provided 271 participants with essential leadership skills, which included best practices tailored to the needs of non-profit organizations.

The Vitalize 2003 conference attracted approximately 1,200 delegates who benefited from a revamped program that addressed issues identified by voluntary sector leaders as needing attention.

STRATEGY 1.1.2

Support the development of arts and culture in Alberta by providing financial assistance and consultative services.

The ministry provided consultative services to arts organizations and artists working in the literary, performing and visual arts sectors who applied for ministry funding through the Alberta Foundation for the Arts. In 2003-04, more than 2,000 funding applications were received and more than 1,400 of these were successful in receiving funding.

The Alberta Foundation for the Arts awarded approximately $28.3 million in funding to organizations and individuals working in the arts and cultural industries. This amount includes support for Alberta's major performing arts companies, arts festivals, public art galleries, community theatre and music productions, publishing, sound recording, film production, writing and a full range of creative activities by organizations and individuals. This funding benefits Albertans by providing opportunities to attend dance, music and theatre productions and festivals, visit art exhibitions at public galleries, listen to author readings in schools and local libraries, watch street performers and experience other arts-related events and activities in their communities. The foundation also provided grants to more than 270 schools across the province to enable them to bring artists into classrooms to engage students and staff in artistic and creative activities that complement the Alberta curriculum.

The ministry coordinated the Grant MacEwan Author's Award, including a $25,000 prize awarded to an Albertan author. It also coordinated the $2,500 Grant MacEwan Young Writer's Scholarship, presented annually to four young Albertans.

STRATEGY 1.1.3

Assist Albertans in making informed motion picture viewing choices by providing film classification services.

The ministry continued to provide all movie theatres and media across the province with ratings and content warnings for display at the box office and in print material. Specifically, it classified 657 feature films and 341 coming-attraction trailers.

An interactive website was introduced that outlines plot synopses, content, thematic elements and classification rationales for all films classified in the province. The website provides information to assist Albertans in making viewing decisions for themselves and their families. It also includes a database that allows users to search for films, titles and classifications back to 1997.

STRATEGY 1.1.4

Ensure the long term viability of Alberta's public libraries through the provision of ongoing consultation, legislative review, financial assistance, research and a strategic planning process.

The ministry strengthened its financial support for public libraries and awarded over $19.5 million in grants. The new grant rate was set at $4.29 per capita to municipal library boards and at $3.22 to library system boards. Included in the $19.5 million was approximately $1.3 million for a one-time operations and maintenance grant program. This program assisted library boards with the increased costs of service delivery.

Ministry staff also met with staff and trustees from 19 library boards to ensure boards were in compliance with provincial legislation and regulations and to discuss operating and service delivery issues. Two of the boards have been restructured to comply with legislation. The other boards have updated library policies and bylaws and made adjustments to their board appointment procedures.

The Alberta Public Library Electronic Network (APLEN) continued to support provincial initiatives by completing the library SuperNet Readiness Project. This project surveyed libraries to determine the standardized resources they would need in order to be compatible with SuperNet. APLEN also began to deliver Service Alberta training to librarians so that they may use this tool to provide access to provincial government information online.

STRATEGY 1.1.5

Encourage healthy recreational and physical activity in communities, schools and workplaces through partnerships with recreation, active living and sport organizations, and the provision of information, financial support and consultative assistance.

The ministry provided approximately $7.3 million in annual funding to provincial sport and recreation associations to assist them in the provision of programs and services to Albertans. The ministry also provided financial support for a network of regional sport centres to assist them in supporting the development of local high performance athletes.

As well, the ministry provided support to assist in staging the 2004 Arctic Winter Games. Team Alberta North included a total of approximately 350 athletes, coaches, chaperones and mission staff representing 37 northern Alberta communities. Team Alberta North had its best ever performance at the games, capturing 138 medals, finishing first overall in the medal standings.

The ministry also continued to encourage youth 10-14 years of age to be physically active through the *Live Outside the Box* and *SummerActive* campaigns. The ministry provided consultative services and financial assistance to the Schools Come Alive and Ever Active Schools Programs. Schools Come Alive provides active living in-service programs, workshops and resources for teachers. Ever Active Schools is available to schools that contribute to the health of children and youth by supporting active living and positive health behaviours.

STRATEGY 1.1.6

Contribute to the athletic achievement of young Albertans through partnerships with communities, sport organizations and other provinces and the provision of financial and consultative assistance.

The ministry coordinated the involvement of Team Alberta in the 2003 Western Canada Summer Games in Selkirk, Manitoba, and the 2004 Arctic Winter Games in the Regional Municipality of Wood Buffalo. Both teams achieved best Alberta results ever at these games. The ministry also supported and facilitated the staging of the 2004 Alberta Winter Games in the North Peace Region. The games provided the opportunity for 1,620 young athletes (aged 12-17 years), 292 coaches and 127 chaperones to participate in the event. The ministry also supported the 2004 Alberta Summer Games by providing consultative services, a $135,000 operating grant and a $60,000 cultural grant to the host communities.

The ministry provided financial support to help train Alberta's volunteer coaches through the National Coaches Certification Program and other initiatives designed to assist coaches at all levels, from the grassroots to those who coach high-performance athletes.

STRATEGY 1.1.7

Encourage the preservation and recreational use of natural environments and community recreational areas by providing educational materials, consultative services and financial assistance.

The ministry provided approximately $1.5 million to 260 Municipal Recreation Tourism Area sites to ensure outdoor public recreation facilities are maintained and are safe and useable. This enabled communities to improve local amenities and to encourage tourism.

Under the Parks and Wildlife Ventures Program, the ministry operated and maintained properties for conservation and recreational use. This program brings together landowners, community groups, industry, government agencies and volunteers to operate and maintain properties such as the Peaceful Valley Provincial Recreation Area. This award winning property provides recreational opportunities targeted at people with disabilities and at seniors. The ministry also provided information on conservation and natural history by creating conservation easements and videos showcasing Alberta's natural habitat.

STRATEGY 1.1.8

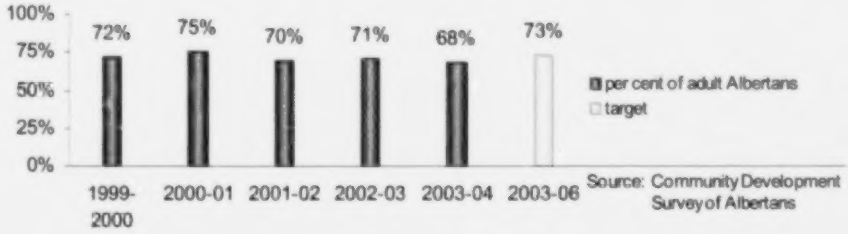
Foster the development of the Francophone community by implementing the Federal/Provincial Cooperation Agreement.

Based on the three-year Alberta Action Plan, the ministry furthered implementation of the Alberta/Canada Cooperation Agreement to support the Francophone community. A number of projects identified in the plan, focusing on health, children's services, arts and culture, economic development, and heritage preservation, were undertaken to support the Francophone community. Ministry support included facilitating and encouraging the construction of new Francophone schools in St. Albert and Cold Lake, the establishment of a new bilingual nursing program at Faculté Saint-Jean and the holding of artistic and cultural community events throughout the province.

MEASURE 1.1A

Level of community volunteerism

Percentage of adult Albertans who volunteer



Source: Community Development Survey of Albertans

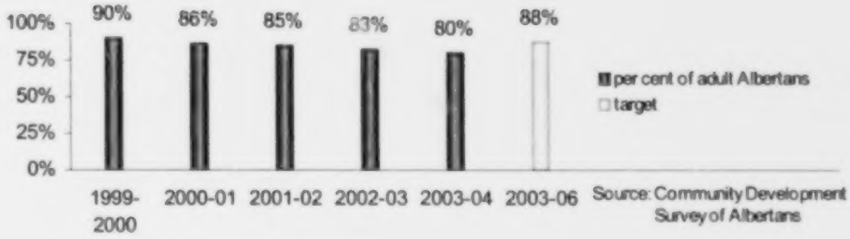
Note: 2003-06 targets apply to 2003-04, 2004-05 and 2005-06

This measure represents the percentage of adult Albertans who made an unpaid contribution of time, energy and/or talents to charitable or non-profit organizations, causes, community development activities or help through personal initiative to individuals. In 2003-04, 68 per cent of adult Albertans volunteered. The percentage of adult Albertans who volunteer has consistently been around 70 per cent for the last five years. Factors such as personal circumstances related to age and lifestyle and economic conditions may influence volunteerism levels. For example, a high employment rate may limit the amount of available time to volunteer. Although this year's result is below the target, it does not indicate the presence of a change in influencing factors.

MEASURE 1.1B

Participation in sport and recreational activities by adult Albertans

Percentage of adult Albertans who participate in sport and recreational activities



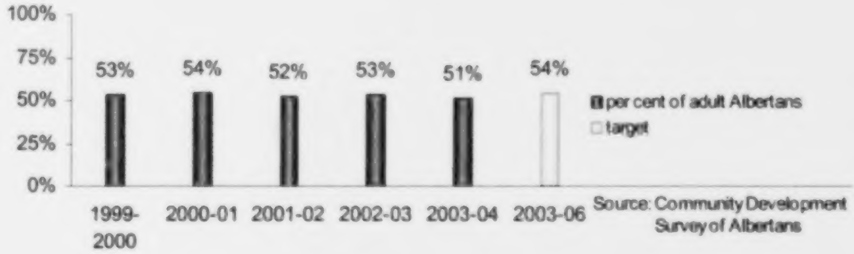
Source: Community Development Survey of Albertans

This measure indicates the percentage of adult Albertans who participate in sport and recreational activities. In 2003-04, 80 per cent of adult Albertans participated in sport and recreational activities. Respondents were asked if they had participated in a sport and recreational activity such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past year. The results may be affected by external influences such as lifestyle choices, disposable income, user fees and demographic changes such as the general trend of an aging population. Although adult Albertans participation in sport and recreation has been consistently high, the results show a downward trend that is being monitored by the ministry. This measure's target was reduced to 85 per cent in the ministry's 2004-07 business plan, based on an average of the last three years' results that were available at the time the target was set plus a one per cent stretch factor.

MEASURE 1.1C

Usage of public library services by adult Albertans

Percentage of adult Albertans who use public library services



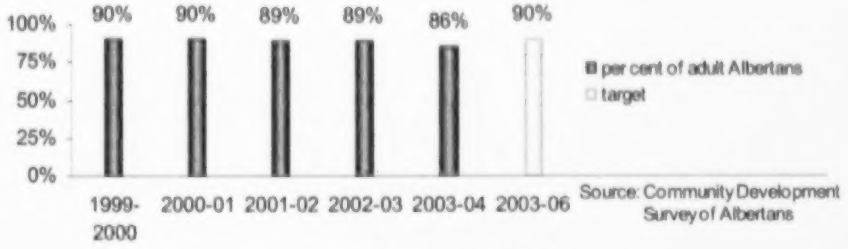
Source: Community Development Survey of Albertans

This measure indicates the percentage of adult Albertans who use public libraries in Alberta in a given year. Libraries support strong, healthy communities, further lifelong learning and help Albertans compete in the global economy. In 2003-04, 51 per cent of adult Albertans used a public library in Alberta. The results may be affected by influences such as lifestyle choices, library card fees and the availability of the Internet and home-based entertainment technologies.

MEASURE 1.1D

Participation in arts and cultural activities by adult Albertans

Percentage of adult Albertans who attend or participate in arts and cultural activities



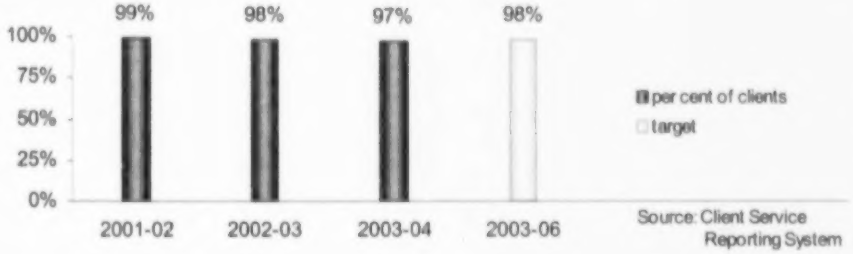
Source: Community Development Survey of Albertans

This measure indicates the percentage of adult Albertans who attend or participate in arts and cultural activities in a given year. Results have been consistently high in each of the last five years. In 2003-04, 86 per cent of adult Albertans attended or participated in arts and cultural activities. Respondents were asked if they had personally attended or participated in a large range of arts and cultural activities such as performing in a choir, playing a musical instrument, taking an arts course or visiting an arts exhibition or gallery. The results may be affected by external influences such as lifestyle choices, disposable income, home-based entertainment technology, time constraints and demographic changes such as the general trend of an aging population.

MEASURE 1.1E

Customer satisfaction with community development services

Percentage of ministry clients satisfied with community development services



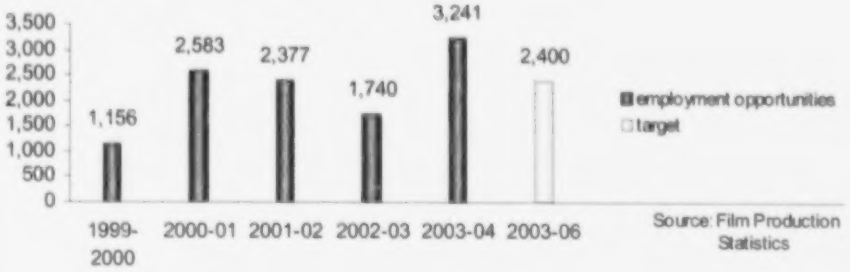
Source: Client Service Reporting System

This measure indicates the percentage of clients who were satisfied overall with the ministry's community development services. Satisfaction with community development services continued to be very high in 2003-04, with 97 per cent of clients reporting that they were satisfied overall. Community development services encompass a broad range of capacity building activities including planning, knowledge and skill transfer, facilitation and/or consultation regarding a variety of topics from organizational development to public consultation. External factors that may influence results include shifting expectations for community development service assistance. These expectations arise from increasing public demand for help in addressing community development issues resulting from a changing and complex society. This measure's target was increased to 99 per cent in the ministry's 2004-07 business plan, based on an average of the last two years' results that were available at the time the target was set plus a one per cent stretch factor.

MEASURE 1.1F (i)

Impact of the support provided by the Alberta Film Development Program: Number of film production employment opportunities for Albertans

Film production employment opportunities for Albertans

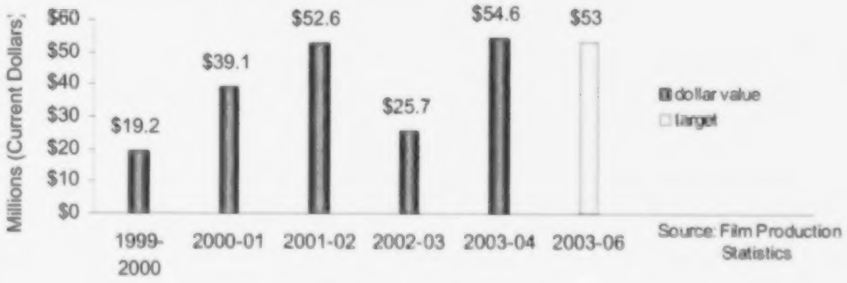


Source: Film Production Statistics

MEASURE 1.1F (ii)

Impact of the support provided by the Alberta Film Development Program: Value of film production by Albertans in Alberta ($ millions)

Value of film production by Albertans in Alberta



Source: Film Production Statistics

Measures 1.1F (i) and (ii) indicate the impact of the Alberta Film Development Program (AFDP) and the financial support it provides for filmmaking in Alberta. In 2003-04, the ministry doubled the AFDP funding to $10 million. This had a considerable impact on the number of film production employment opportunities for Albertans and on the value of film production by Albertans in Alberta. The number of film production employment opportunities for Albertans that were supported by the AFDP increased to 3,241, the highest level in five years and above the target. Employment opportunities for Albertans include cast and crewmember positions held by Alberta residents. The value of AFDP supported film production by Albertans in Alberta reached $54.6 million in 2003-04, which is more than double the 2002-03 result and above the target. The dollar value of film production by Albertans in Alberta is reported in current dollars. External influences include the long lead-times regularly associated with film production and accountability reporting, the availability of funding to the film industry from other levels of government and private sources, the private sector as the primary determinant of the film production market, and wide variations in the amount of activity associated with a particular production. In the 2004-07 business plan, based on the eligible film applications received, the target for the number of film production employment opportunities for Albertans was increased to 2,950 and the target for the value of film production by Albertans in Alberta was increased to $56 million.

Core Business 2

Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

Goal 2.1

Increase understanding and awareness of diversity, foster equality and reduce discrimination so all Albertans have the opportunity to participate in the social, economic and cultural life of the province.

STRATEGY 2.1.1
Deliver high-quality compliance and regulatory services in resolving and adjudicating complaints of alleged discrimination.

In 2003-04, the commission closed 774 files, slightly more than were closed in the previous year. The majority of these (97 per cent) were closed primarily through assistance the commission provided to Albertans in resolving and settling discrimination complaints. The balance (3 per cent) were closed at the human rights panel stage prior to a hearing or through a panel decision. Human rights panels addressed issues including sexual harassment, age discrimination and discrimination on the grounds of mental and physical disability. In response to appeals and judicial review, the courts further clarified human rights issues and evidentiary principles related to human rights panels and procedures.

The commission opened 869 new complaint files, with physical disability and gender continuing to be the two most common grounds for complaint.

STRATEGY 2.1.2
Continue to work collaboratively with clients and stakeholders to develop policy, programs and services that contribute to building a society respectful of human rights and diversity, and to ensure workplaces are free of discrimination.

The ministry launched a new initiative called *Help Make a Difference* to create awareness about the benefits of intercultural understanding and to encourage Albertans to contribute to building a fair and respectful society through their own actions. In partnership with Global Television, six television public service announcements were produced and shown throughout Global's Alberta network. From November 2003 through the end of March 2004, the announcements were broadcast on more than 1,050 occasions. In November 2003, the announcements reached an estimated 89 per cent of the viewing audience in the Calgary region and an estimated 84 per cent of the viewing audience in the Edmonton region.

The announcements could also be viewed on a complementary website, www.helpmakeadifference.com, where visitors could learn about concrete actions they could take to make a difference in their own communities. They could also learn about the Albertans who participated in the announcements and find links to other resources.

Supporting Albertans in building inclusive workplaces free of discrimination continued to be a focus for the ministry. Of the complaint files opened by the Alberta Human Rights and Citizenship Commission in 2003-04, 78 per cent of grounds cited were in the area of employment.

The Alberta Human Rights and Citizenship Commission joined with the Alberta Chambers of Commerce in establishing and sponsoring the Diversity Leadership Award of Distinction as part of the Alberta Business Awards of Distinction. The award recognizes and honours employers who embrace diversity in their workforce, encourage respect and inclusion, and work toward eliminating discrimination and barriers to fair employment.

The ministry also worked with Alberta Human Resources and Employment to develop recommendations to reduce impairment in the workplace and to provide specific input on human rights jurisprudence related to drug and alcohol testing.

The commission also consulted students with disabilities, Alberta post-secondary educational institutions and community organizations to develop a resource to support educational institutions and students with disabilities in reaching appropriate accommodation solutions, enable the institutions to meet their legal responsibilities and enable students with disabilities to fully participate.

In collaboration with Alberta Learning, the ministry awarded nine Persons Case Scholarships to students in non-traditional fields for their gender or whose studies contributed to women's equality. Also in collaboration with Alberta Learning, the ministry recognized more than 150 graduating high school students with Premier's Citizenship Awards for their contributions to the community through good citizenship, leadership, community service or volunteering. The five most outstanding of these students will receive the Queen Elizabeth II Golden Jubilee Citizenship Medal and $5,000 scholarships.

The Minister co-hosted the 22nd Annual Meeting of Federal-Provincial/Territorial Ministers responsible for the Status of Women. Ministers reaffirmed their commitment to advancing equality for women at this meeting. Specific topics included women's health, economic security, violence and human rights. Ministers gave priority to the circumstances of Aboriginal women on and off reserve. An action plan to further this work was completed.

The Ministers' Status of Women Forum released the results of a key economic project, *Workplaces that Work: Creating a Workplace Culture that Attracts, Retains and Promotes Women*. This report highlights bottom-line business reasons for making changes to workplace cultures to increase the recruitment, retention and promotion of skilled women workers.

STRATEGY 2.1.3

Continue to support educational activities that help foster equality, promote fairness and encourage access for all Albertans through the Human Rights, Citizenship and Multiculturalism Education Fund.

The Human Rights, Citizenship and Multiculturalism Education Fund awarded approximately $800,000 in grants for projects that met its goal of reducing racism and discrimination within its Support to Community Groups category.

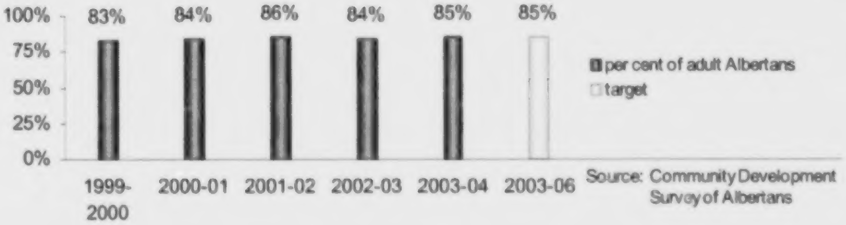
The Minister and the chair of the Human Rights, Citizenship and Multiculturalism Education Fund met with community leaders from the ethnocultural and multicultural community to consult on a proposed grant program intended to assist members of the ethnocultural community to participate fully in Alberta society. The program responds to concerns expressed by the multicultural community and is intended to recognize and support the important role multicultural, racial and ethnocultural organizations play in fostering equality and helping others understand the benefits of diversity.

New grant criteria developed for the Multicultural Connections Grant Program will take effect in 2004-05. The new Multicultural Connections Grant Program will support: strengthening minority ethnocultural, racial and religious communities; increasing trust, respect and confidence between these communities and mainstream organizations; and reducing racism, systemic discrimination and negative stereotyping.

MEASURE 2.1A

Adult Albertans' perception of the effectiveness of protection of human rights in Alberta

Percentage of adult Albertans who believe human rights are well protected in Alberta



Source: Community Development Survey of Albertans

This measure provides an indication of adult Albertans' perceptions of how well human rights are protected in Alberta. In 2003-04, 85 per cent of adult Albertans believed human rights were well protected in Alberta. Results are based on the combined total of adult Albertans who indicated human rights are "fairly well" or "very well" protected in Alberta, the top two categories of a four point rating scale. Results may be affected by issues, events and legislative matters concerning human rights, both in the province and in other jurisdictions around the world, media coverage of those events, and respondents' historical and personal circumstances. This measure's target was increased to 86 per cent in the ministry's 2004-07 business plan, based on an average of the last three years' results that were available at the time the target was set plus a one per cent stretch factor.

Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

Goal 2.2

Ensure that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse.

STRATEGY 2.2.1

Support the interests of Albertans with disabilities and vulnerable adults in care, by supporting community governance in the delivery of services to persons with disabilities and assessing the performance of government with respect to persons with disabilities and vulnerable adults in care.

The ministry monitored and evaluated a network of contracts with community agencies that provide a wide range of services for persons with disabilities throughout the province. Additionally, the ministry continued to assist with the Persons with Developmental Disabilities (PDD) Community Governance System to support the system, manage issues of mutual concern and coordinate operational and policy planning.

The ministry also worked collaboratively with a number of other ministries and community partners to better facilitate positive outcomes for persons with disabilities. It worked with Alberta Human Resources and Employment on the Low-income Review and the Coordinated Policy Framework. It also continued work with Alberta Children's Services on portions of the *Family Support for Children with Disabilities Act*, with Alberta Transportation on policy issues related to barrier free transportation, and with Alberta Health and Wellness on the planned regionalization of the Alberta Aids to Daily Living Program.

The ministry further worked on the Spinal Cord Injury Collaboration Project to better address spinal cord injury services and rehabilitation concerns.

STRATEGY 2.2.2

Develop public policy alternatives and a long-term action plan to address the needs of persons with disabilities.

The creation of the Office for Disability Issues (ODI) is intended to enhance government's capacity to work collaboratively on policy issues affecting persons with disabilities. Specifically, the ODI was created to provide a reference point for enquiries concerning matters affecting persons with disabilities, improve communication with the community, identify issues affecting persons with disabilities, assist with the development and implementation of policies across government departments to remove barriers and create accessible programs and services. It is further intended to promote positive attitudes and raise awareness of disability issues, assist with efforts to ensure that the concerns and issues affecting Albertans with disabilities are represented in federal/provincial/territorial processes, evaluate the status of Albertans with disabilities and promote additional accountability of government programs.

STRATEGY 2.2.3

Support Government of Alberta collaboration with federal/provincial/territorial governments to address issues arising from the Social Union Framework Agreement's *In Unison 2000: Persons with Disabilities in Canada.*

The Persons with Developmental Disabilities Provincial Board worked with Alberta Seniors, community organizations and corporate sponsors to hold Home Ownership Forums to share creative solutions to the challenges confronting people with disabilities who want to become homeowners. Materials, including a report and video, titled *Creating a Future of Home Ownership for Persons with Developmental Disabilities*, were produced by the forum organizers to assist individuals and families explore home ownership options.

Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

STRATEGY 2.2.4

Provide leadership in the development of programs and services for persons with disabilities by coordinating interdepartmental work on issues relating to the Alternative Communications Strategy, and the outcomes of the Gaps in Service Project and *Building Better Bridges – Final Report on Programs and Services in Support of Persons with Developmental Disabilities.*

The ministry continued to address the needs of persons with disabilities by continuing to implement the recommendations of *Building Better Bridges – Final Report on Programs and Services in Support of Persons with Developmental Disabilities* in the areas of brain injury and gaps in services. It also focussed on developing an evaluation framework and specific outcomes for the Alberta Brain Injury Initiative.

Responsibility and funding of programs that provide community supports for people with disabilities was transferred to the Community Support Systems Division from the Persons with Developmental Disabilities (PDD) Community Boards. Planning for the implementation of the legislative/regulatory requirements of the *Blind Persons Rights' Act* and developing a consultative process for assistive animals legislation was also undertaken.

The ministry also developed partnerships with other government departments, community and local service providers to address issues for people who are deaf/hard of hearing and to address gaps in services for targeted populations of people with disabilities. This resulted in enhanced services for adults with Fetal Alcohol Spectrum Disorder.

The PDD Provincial Board continued to align with the recommendations made in *Building Better Bridges*. The PDD Provincial Board also continued to ensure that all service providers meet the Creating Excellence Together Standards. These standards were enhanced this year by incorporating input from adults with developmental disabilities, service providers, surveys, PDD staff and best practices research.

Future direction for individuals with developmental disabilities living in the Michener Services facility is being defined through the Looking Ahead Project.

STRATEGY 2.2.5

Continue to develop and support service coordination and outreach for persons with acquired brain injury.

The ministry continued to enhance and expand service coordination in all regions of the province to support persons with brain injury. The Supports for Community Living Program began offering weekly support services for individuals with brain injury who need guidance and training in independent living skills.

The second volume of the *Alberta Brain Injury Initiative Survival Guide*, the expansion of the Caregiver College Program, and the Provincial Training Framework are examples of education/training opportunities for adults with a brain injury, their families and care providers.

STRATEGY 2.2.6

Strengthen and initiate consultations with Albertans regarding the needs of persons with disabilities and vulnerable adults in care.

The ministry worked with community members, stakeholders and service agencies to identify ways to support individuals with disabilities in community settings. Networking meetings were held throughout the province, and there was an evaluation process at each meeting. The results will guide future planning and enhancement of programs and services for people with disabilities in the next fiscal year.

Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

Approximately 300 stakeholders responded to the ministry's invitation to comment on recommendations contained in the *Report on the Review of the Protection for Persons in Care Act*, which was prepared by a Legislative Review Committee.

STRATEGY 2.2.7

Provide leadership in safeguarding vulnerable adults in care by developing educational initiatives related to prevention of abuse and a comprehensive provincial abuse prevention strategy.

The Persons with Developmental Disabilities Boards, assisted by a provincial stakeholder committee, increased Albertans' awareness of the issue of abuse of adults with developmental disabilities. The boards also completed an Abuse Prevention and Response Protocol that focused on recognizing, preventing and responding to abuse of adults with developmental disabilities. Protocol training was provided to government and service provider staff throughout the province.

The ministry published quarterly updates on protection for persons in care activities including the themes and recommendations arising from investigations. These are used to enhance education on the prevention of abuse. A bulletin focussed on when the ministry can legally investigate abusive situations was developed and distributed to stakeholders.

STRATEGY 2.2.8

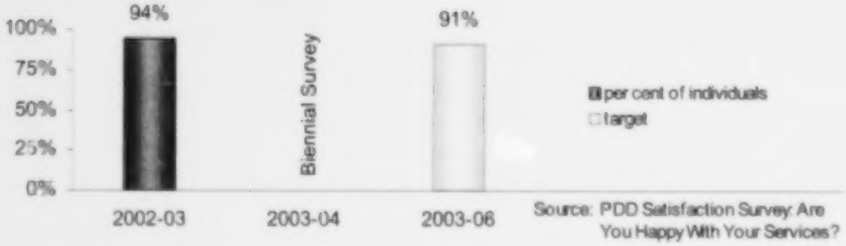
Protect persons in care from abuse and improve the life of adult Albertans in care by implementing the results of the legislative review of the *Protection for Persons in Care Act*.

The ministry examined the results of the legislative review and is continuing to look at similar programs and legislation from other provinces and countries before proceeding with any changes to the *Protection for Persons in Care Act*.

MEASURE 2.2A

Satisfaction, by persons with developmental disabilities, with PDD-funded services

Percentage of individuals with developmental disabilities satisfied with PDD-funded services



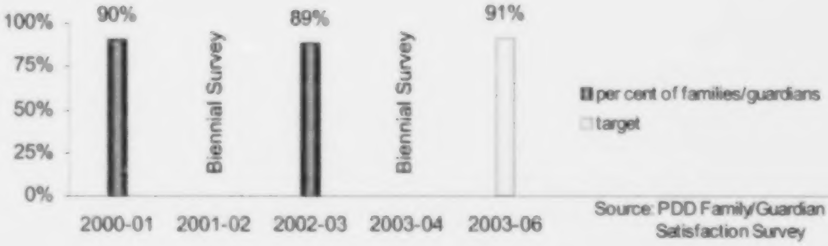
Source: PDD Satisfaction Survey: Are You Happy With Your Services?

This measure indicates the percentage of individuals who are satisfied overall with the Persons with Developmental Disabilities (PDD) funded services they received. Results are not available for 2003-04 since this measure is based on a biennial survey. In 2002-03, 94 per cent of individuals were satisfied with the PDD-funded services they received, surpassing the 2002-03 target of 90 per cent. The 2002-03 survey was made available to individuals who were interested in participating. It used a self-selected and highly motivated sample to obtain meaningful responses based on an assumption that those individuals sending a completed survey had fewer cognitive difficulties with the questionnaire and were able to provide more accurate responses. The ministry enhanced connections with individuals receiving services by fostering social events, celebrations, support groups, consultation forums and user-friendly Internet sites. This may have impacted the way individuals rated their satisfaction with services in 2002-03. This measure's target was increased to 95 per cent in the ministry's 2004-07 business plan, based on 2002-03 results plus a one per cent stretch factor.

MEASURE 2.2B

Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services

Percentage of families/guardians satisfied with PDD-funded services



Source: PDD Family/Guardian Satisfaction Survey

This measure indicates the percentage of families/guardians (public and private) who are satisfied overall with the Persons with Developmental Disabilities (PDD) funded services received by the person to whom they provide guardianship. Results for 2003-04 are not available since this measure is based on a biennial survey. In 2002-03, 89 per cent of families/guardians were satisfied overall with the PDD-funded services received by the person to whom they provide guardianship, nearly meeting the 2002-03 target of 90 per cent. These results may be influenced by waiting periods for services associated with regional demographic shifts such as an increasing population.

Core Business 3:

Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

Goal 3.1

Preserve, protect, present, research and promote appreciation for Alberta's historical resources and culture and provide opportunities for heritage tourism.

STRATEGY 3.1.1

Work with Alberta Infrastructure to a) complete the rehabilitation and relocation of the new home of the Provincial Archives of Alberta, b) develop appropriate storage solutions for the province's heritage collections, c) review and update specific recapitalization requirements for provincially owned and operated historic sites and cultural facilities in need of renewal, d) conduct temporary refitting of exhibit areas at The Provincial Museum of Alberta, e) undertake planning for a new Provincial Museum of Alberta, and f) improve access to the province's modern heritage facilities for persons with disabilities.

In collaboration with Alberta Infrastructure the following projects were undertaken:

a) The new Provincial Archives of Alberta facility was completed and officially opened. It is one of the few archives in Canada to house a public reading room and all of its holdings in a single location. Located on 17 acres of land, the spacious facility includes 85 kilometres of shelving in 20 storage vaults located on two floors with specialized environmental controls. The new archives also features a reference and reading room, library, small conference centre, exhibit area, conservation laboratory, processing areas and office space.

b) Reports to deal with on-site and off-site storage solutions and with multiple scenarios surrounding collections movement were prepared to enhance protection, preservation and access to artefacts and to improve storage conditions.

c) Long-term capital development plans for historic sites, cultural facilities and the Royal Tyrrell Museum of Palaeontology were initiated this year and are scheduled to be completed in 2004-05.

d) Exhibit areas were refitted at the Provincial Museum of Alberta. The *Wild Alberta Gallery*, formerly known as the *Habitat Gallery*, underwent a major update and was opened in 2003-04. It provides a new museum experience by leading visitors on a journey of discovery across, over and even under Alberta's diverse landscapes. The new *Wild Alberta Gallery* is intended to become a centre for environmental education, which encourages visitors to see the world through different eyes.

e) A major renovation and expansion of the Provincial Museum of Alberta is being planned as part of the province's Centennial Legacy Program. Several committees were established to study different aspects of redevelopment, consultants were brought in, an extensive user survey was conducted, other international facilities were examined and conceptual planning was completed this year.

Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

f) Improvements in access for persons with disabilities were addressed at the following facilities: Frank Slide Interpretive Centre (main entrance doors, washrooms); Head-Smashed-In Buffalo Jump Interpretive Centre (entrance doors, washrooms); Ukrainian Cultural Heritage Village (entrance doors, washrooms, boardwalks); Reynolds-Alberta Museum (elevator in the aviation centre); and the Royal Tyrrell Museum of Palaeontology (initiated expansion of visitor parking).

STRATEGY 3.1.2

Coordinate Alberta's 2005 Centennial program in partnership with other ministries, foundations, communities, non-profit organizations, municipalities and the federal government to provide opportunities for Albertans to participate in the celebrations and leave a legacy for future generations.

In 2003-04, the ministry announced approval for 35 community-based Phase 2 Centennial Legacy Projects totalling $25 million. The funds for the Phase 2 Centennial Legacy Grants Program were allocated equally over 2003-04 and 2004-05 in Alberta Infrastructure's budget.

This year marked the completion of two government Centennial projects, the Provincial Archives of Alberta and the ATCO Learning Centre at the Royal Tyrrell Museum of Palaeontology. In addition, Alberta Infrastructure expended more than $10.4 million on government-owned capital projects. Also, as part of the Centennial Legacy Grants Program, the former *Habitat Gallery* was replaced by the *Wild Alberta Gallery* – in partnership with the Federation of Alberta Naturalists.

This year also marked the announcement of funding for the National Arts Centre's *Alberta Scene*. In the spring of 2005, over 13 days, the *Alberta Scene* will showcase approximately 600 Alberta artists in approximately 95 events, in 19 venues across the nation's capital.

Planning for Centennial Celebration events to mark the 100th anniversary of the province continued.

STRATEGY 3.1.3

Initiate implementation of an electronic records preservation strategy to facilitate the acquisition, preservation and access of primary records.

The ministry was not able to pursue the implementation of an electronic records preservation strategy as planned, and future implementation will be considered within available resources. However, as part of the Government of Alberta Information Management Framework, being developed by Alberta Government Services, the Provincial Archives of Alberta co-sponsored and participated in a workshop about electronic records preservation that resulted in a discussion paper that proposes a government-wide planning strategy. This discussion paper addresses most of the ministry's policy issues around archival electronic records.

STRATEGY 3.1.4

Increase the efficiency, effectiveness and quality of existing historical resource management programs by continuing to work with stakeholders and other government entities.

The ministry issued the 4th edition of the *Listing of Significant Historical Sites and Areas*. This listing helps to ensure that significant known historical resources are not inadvertently damaged or destroyed by development activities. This initiative increased the catchment area for the historical resource management programs by over 7,000 sections of land. Also, a new Application for Historical Resources Act Clearance and a Recommended Action Matrix were developed. They are used to determine if an Historical Resources Impact Assessment is warranted.

Following the discovery of a second marine reptile specimen on the Blood Reserve in southern Alberta in May 2003, the ministry expanded its agreement with the Blood Nation for preservation and storage of significant vertebrate fossils found on First Nations Lands.

STRATEGY 3.1.5
Further the preservation of heritage properties by working with the Department of Canadian Heritage on the Federal Government's new Cross-Canada Historic Places Initiative.

The ministry placed Alberta's first three sites on the newly created Canadian Register of Historic Places (EP Ranch in High River, and the Arlington Apartments and the Jasper Block in Edmonton). The Cross-Canada Historic Places Initiative is an example of federal, provincial and territorial teamwork intended to build a culture of heritage conservation for Canadians.

The ministry also developed a preliminary framework for the establishment of a Municipal Heritage Preservation Program. It contracted with 34 municipalities, corporations and individuals for the production of historical resources surveys, planning studies, statements of significance and system development as part of Alberta's contribution to the Cross-Canada Historic Places Initiative.

STRATEGY 3.1.6
Continue to develop the Collections and Exhibits Infrastructure Management System (CEIMS) and explore alternative approaches to infrastructure management system development.

The ministry established a department-wide team to develop an integrated collections management system (i.e., HeRMIS) and to convert various branch electronic databases into one system. Participating branches took part in developing test-case information for inputting and testing various conversions of branch collections data. By year-end, a basic operating system was in place, which has the potential to become a future national model for heritage collections management systems. In addition, a prototype of the Internet version of the Collections Management System (e-Museum) was developed to accommodate the digitization of selected ministry photographic holdings.

STRATEGY 3.1.7
Investigate, identify and implement steps to increase self-generating revenues for facility/program reinvestment partnerships to facilitate the preservation, protection and presentation of Alberta's history and culture.

Of particular note are the following successful initiatives: the Reynolds-Alberta Museum's Restoration Handbook and accompanying video/DVD, the partnership between the Oil Sands Discovery Centre and Albian Sands (Shell Canada) to sponsor education programs, and the partnership between the ministry and the Friends of the Northern and Southern Jubilee Auditoria societies (and the societies' fund raising arm, the Alberta Jubilee Auditoria Foundation) for the development of supplemental funds to enhance the renovations to the Northern and Southern Alberta Jubilee Auditoria.

The ministry's heritage facilities continued to pursue self-generated revenues to enhance program delivery. The admissions revenue received from provincial historic sites, museums and interpretive centres totalled over $3.5 million. This included a successful partnership between the Royal Tyrrell Museum of Palaeontology, the Calgary Zoo and the Alberta Motor Association to distribute incentive coupons to Alberta travelers. The joint promotions attracted more than 4,300 visitors during non-peak months and resulted in over $20,000 in revenue for the museum.

Additional income was generated from gift shops, cafeteria operations and a wide variety of other services.

Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

STRATEGY 3.1.8

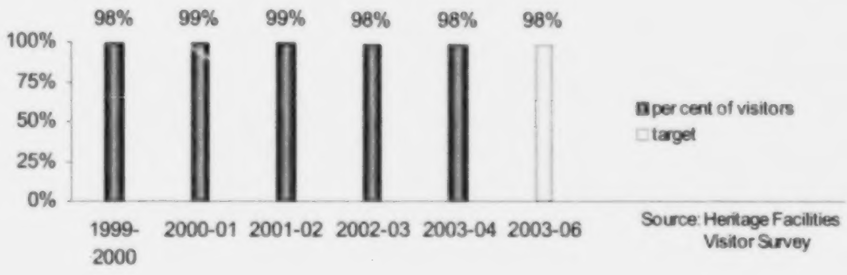
Review data collection methods at provincial historic sites, museums and interpretive centres to ensure consistent performance measurement and reporting.

A working group, primarily comprised of staff who oversee the operations of provincial historic sites, museums and interpretive centres, reviewed the existing control procedures for data gathering and reporting practices for site attendance. Subsequently, data gathering and reporting control procedures were streamlined and revised research instruments were produced and implemented. In addition, a review of the overall Heritage Facilities Visitor Survey process has been initiated.

MEASURE 3.1A

Satisfaction of visitors with experiences at provincial historic sites, museums and interpretive centres

Percentage of visitors satisfied with their experience



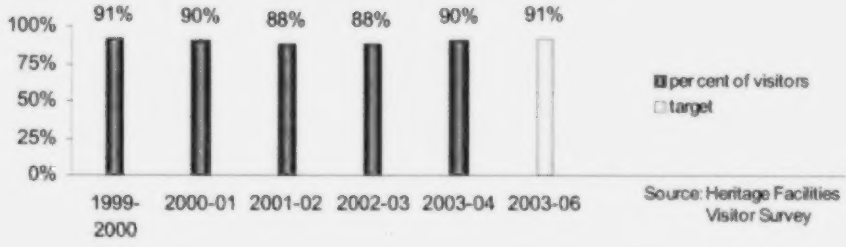
Source: Heritage Facilities Visitor Survey

This measure indicates the percentage of visitors who were satisfied overall with their experiences at provincial historic sites, museums and interpretive centres and provides an indication of the ministry's success in preserving and presenting Alberta's heritage. In 2003-04, 98 per cent of visitors were satisfied overall with their experience. Satisfaction with provincial historic sites, museums and interpretive centres has been consistently around 98 per cent for the past five years. Visitors' satisfaction may be influenced by the focus, age, condition and relevance of exhibits and facilities. This measure's target was increased to 99 per cent in the ministry's 2004-07 business plan, based on an average of the last three years' results that were available at the time the target was set plus a one per cent stretch factor.

MEASURE 3.1B

Knowledge gained of Alberta history by visitors to provincial historic sites, museums and interpretive centres

Perception of knowledge gained of Alberta history by visitors to provincial historic sites, museums and interpretative centres



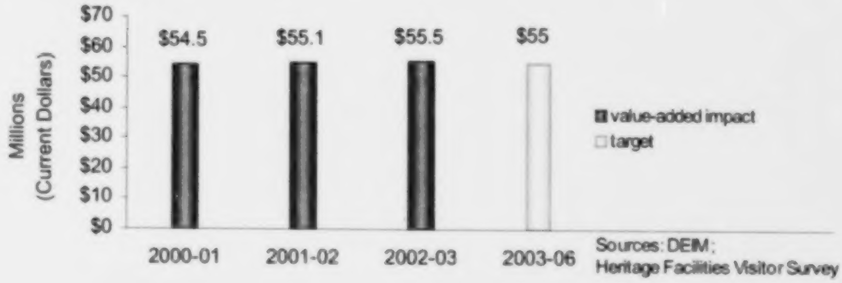
Source: Heritage Facilities Visitor Survey

This measure indicates visitors' perceptions of the knowledge they gained of Alberta history during a visit to a provincial historic site, museum or interpretive centre. In 2003-04, 90 per cent of visitors rated the knowledge they gained as "excellent" or "good." Results may be influenced by the focus of exhibits and programs at provincial historic sites, museums and interpretive centres. This measure's target was decreased to 90 per cent in the ministry's 2004-07 business plan, based on an average of the last three years' results that were available at the time the target was set plus a one per cent stretch factor.

MEASURE 3.1C (i)

Economic impact of provincial historic sites, museums and interpretive centres ($ millions): Value-added impact

Value-added economic impact of provincial historic sites, museums and interpretive centres

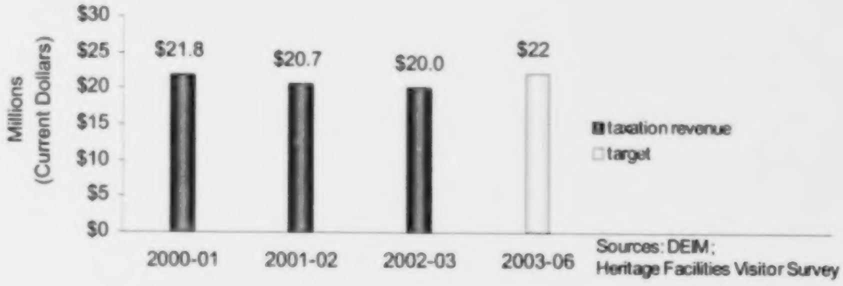


Sources: DEIM; Heritage Facilities Visitor Survey

MEASURE 3.1C (ii)

Economic impact of provincial historic sites, museums and interpretive centres ($ millions): Taxation revenue returned to three levels of government

Taxation revenue from provincial historic sites, museums and interpretive centres



Sources: DEIM; Heritage Facilities Visitor Survey

Measures 3.1C (i) and (ii) indicate the level of economic activity, in current dollars, created by the operation of the ministry's provincial historic sites, museums and interpretive centres. They also provide an indication of the economic benefits associated with preservation and development of the province's heritage resources. Due to the volume and complexity of data collection and analysis, results lag one year behind the reporting year. In 2002-03, the value-added economic impact of provincial historic sites, museums and interpretive centres was $55.5 million and the taxation revenue returned to three levels of government was $20.0 million. Both of these results are near their targets for 2002-03, which are the same as the targets for 2003-04. Results may be affected by factors such as global, national and provincial tourism trends, the general state of the economy and the attractiveness and relative competitive nature of Alberta's heritage facilities. Visitation will also have a direct impact on the results achieved. The target for taxation revenue returned to three levels of government was reduced to $21 million in the ministry's 2004-07 business plan, based on the previous years' results and 2002-03 visitation figures.

Goal 3.2

Maintain Alberta's provincial parks and protected areas to preserve the province's natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism.

STRATEGY 3.2.1

Develop and advance a reinvestment strategy for Alberta's provincial parks, major recreation areas, and protected areas to recapitalize and sustain basic facilities and services, ensure public health and safety, and maintain Alberta's biodiversity.

Further strategic planning was completed to address aging and deteriorating facilities and other infrastructure in provincial parks and recreation areas. Most facilities and other infrastructure in Alberta's provincial parks and recreation areas are over 30 years old and are in need of renewal or replacement. A reinvestment strategy was developed in 2001-02 identifying reinvestment requirements needed to restore and sustain existing facilities and other infrastructure.

Specific components of the parks reinvestment strategy such as funding for rehabilitation of aging water and sewer systems and other public safety hazards were submitted as priorities. Additional funding was also pursued through the capital planning and annual budget processes.

These efforts resulted in the announcement of a one-time allocation of $21 million over the next three years to upgrade provincial parks' water and sewage infrastructure as well as to address other safety hazards. With this investment of new funding, necessary repairs and improvements to drinking water and sewer systems will be made at several provincial parks. These upgrades will restore these parks to meet public expectations and will address health and safety hazards such as repairs to boat and marina docks, boardwalks and toilet buildings.

STRATEGY 3.2.2

Develop an updated parks system plan and strategic direction for the management and protection of Alberta's provincial parks and protected areas.

Alberta's parks and protected areas system preserves landscapes and natural features that represent the environmental diversity of the province. Landscapes vary from badlands, to forests to alpine tundra and massive ice fields. These landscapes are divided into six distinctly different natural regions and 20 sub-regions. The sub-regions are further broken down into specific natural history themes. This scientific framework is the basis of Alberta's parks and protected areas system. With the completion of the Special Places Program, Alberta's parks and protected areas system now includes representation from each of Alberta's six natural regions and 20 sub-regions.

Development of strategic policy and program direction for management and protection of the expanded parks and protected areas system following completion of the Special Places Program also continued.

An update of the Natural Regions and Sub-Regions Map was completed and an update of natural history themes now represented in the parks and protected areas system continued. This revision will confirm the extent to which each sub-region and natural history theme is represented and identify any gaps in representation. This information will be used to develop an updated parks and protected areas system plan.

STRATEGY 3.2.3

Develop, consolidate and update legislation and regulations to provide a sound basis for the management and protection of Alberta's provincial parks and protected areas.

Further work was completed to update legislation and regulations and to enhance the province's ability to manage parks and protected areas. The *Wilderness Areas, Ecological Reserves, Natural Areas and Heritage Rangelands Act* was proclaimed. The new heritage rangeland class of protected areas was established through this legislation.

The Black Creek Heritage Rangeland was established as Alberta's first heritage rangeland. Heritage rangelands are established to preserve and protect ecologically significant areas that are representative of Alberta's native grasslands in prairie, parkland and montane landscapes. The heritage rangeland class also recognizes the unique role that ranching has played in protecting and maintaining these rangelands. Heritage rangelands will ensure ongoing protection while continuing the traditional grazing approach that has been integral to the management of these lands for so many years.

The *Provincial Parks Act* – General Regulation and Disposition Regulation provides for management and protection of Alberta's provincial parks and recreation areas. These regulations were amended to update, modernize and improve wording and bring all references in the regulations up to date.

STRATEGY 3.2.4

Develop and implement a revitalization strategy for heritage appreciation that includes education and interpretive and marketing strategies to increase Albertans' awareness and appreciation for Alberta's provincial parks and protected areas.

A new education strategy was implemented to integrate interpretation and environmental education and broaden the audiences for these services. Efforts to improve awareness focused on improving website presentation and information about Alberta's parks and protected areas.

A new Heritage Appreciation Strategy for Dinosaur Provincial Park was completed that defines new goals, objectives, themes, messages, target markets and updates resource information. It includes a new 10-year strategy for development of products and services and includes recommendations for future facility development supporting heritage appreciation.

STRATEGY 3.2.5

Increase opportunities for volunteer involvement and new partnerships to enhance research, monitoring and the provision of services at provincial parks and protected areas.

The number of volunteers supporting parks and protected areas continued to grow. Volunteers and volunteer groups supported parks and protected areas through their involvement in a variety of customer service and conservation efforts, which range from greeting park visitors and assisting with education programming to monitoring protected areas and assisting in scientific research.

New agreements were developed with a number of volunteer groups and other volunteer agreements were updated. An agreement with the Canadian Birkebeiner Society for hosting the annual Canadian Birkebeiner Ski Festival, which is the largest classical ski festival in North America held each year in Cooking Lake Blackfoot Provincial Recreation Area, was concluded.

A new Cooperative Operating Agreement was also developed with the Lesser Slave Lake Bird Observatory Society for the operation of the new Boreal Centre for Bird Conservation that will be constructed in Lesser Slave Lake Provincial Park.

Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

STRATEGY 3.2.6

Enhance the Alberta Natural Heritage Information Centre's ability to provide quality natural heritage data to support effective management and protection of Alberta's provincial parks and protected areas and to provide natural heritage data to clients and partners in other provincial and federal agencies, universities, industry, and national and international conservation organizations.

The Alberta Natural Heritage Information Centre is one of over 80 conservation data centres in an international Natural Heritage Network and is a member of NatureServe – a network connecting science with conservation. The centre compiles, analyses and manages natural heritage data to support land-use decisions, the setting of priorities, and managing and planning activities related to the conservation of the physical and natural biological diversity of Alberta.

The Alberta Natural Heritage Information Centre continued to collect and provide data to support the effective management of Alberta's parks and protected areas. Key accomplishments included: data collection for Caribou Mountains Wildland Park, compilation of data for Colin-Cornwall Lakes Wildland Park, development of invasive species inventories for protected areas and south western Alberta, and data support for inter-provincial discussions on ecosystem management.

The Alberta Natural Heritage Information Centre computer systems were upgraded to enhance data management and mapping capabilities and to provide for more efficient management, analysis and information distribution. The centre also participated in several cooperative initiatives with other agencies including a partnership to compile and provide data in support of the Forest Gene Resources Conservation Plan. This provincial plan will contribute to the conservation of genetic tree resources in Alberta.

STRATEGY 3.2.7

Identify biophysical resource inventory and management planning priorities for the 2003-06 timeframe and complete biophysical resource inventories and management plans for priority parks and protected areas.

Biophysical resource inventories were completed and management planning priorities were identified and implemented. Major, multi-year biophysical inventory projects continued for the Caribou Mountains. The biophysical inventories provide baseline data and background for the development of management plans and environmental monitoring projects.

To provide long-term direction for management and protection, development of management plans is in progress for Chinchaga, Caribou Mountains, Bob Creek, and Grizzly Ridge Wildland Parks, Cold Lake, Peter Lougheed, and Spray Valley Provincial Parks, Evan-Thomas Provincial Recreation Area and the Black Creek Heritage Rangeland.

STRATEGY 3.2.8

Set strategic direction for contracting facility operations to improve the operation and provision of services in provincial parks and protected areas.

There is a long history of private sector involvement in the operation and maintenance of park facilities using facility operating agreements and service contracts with companies, individuals, municipalities and service clubs. The majority of facilities in provincial parks are currently operated under contract.

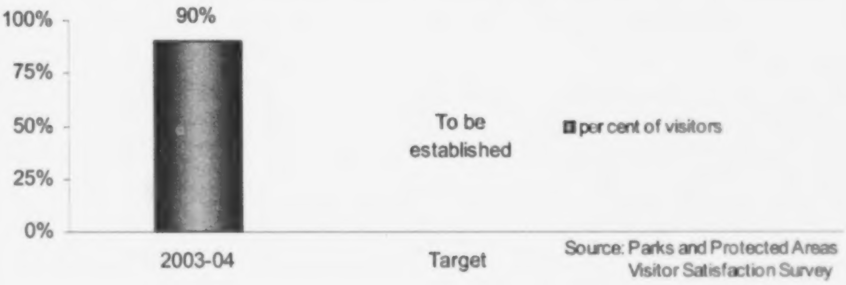
The contracting methods and the process for the tendering of these facilities was reviewed and updated. The revised process will compare the costs and benefits of facility operating agreements, service contracts and direct ministry operation of facilities as well as combinations of these methods for facilities in each park and recreation area, when existing contracts expire. This will ensure that the most effective operating method is used in each location.

Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

MEASURE 3.2A

Satisfaction of visitors with experiences at provincial parks and recreation areas

Percentage of visitors satisfied with services and facilities



Source: Parks and Protected Areas Visitor Satisfaction Survey

This measure indicates the percentage of visitors who were satisfied overall with the services and facilities at Alberta's provincial parks and recreation areas. In 2003-04, 90 per cent of visitors were satisfied overall with services and facilities at Alberta's provincial parks and recreation areas. The age, condition and cleanliness of facilities, interactions with other visitors, programs offered, public awareness of facilities and services, and service provided by contractors and park staff may influence visitors' overall satisfaction. No target was set for this measure since 2003-04 results are not comparable to the previous year. Results for 2003-04 and 2004-05 will serve as benchmarks for setting a target.

CORPORATE INITIATIVES

CORPORATE INITIATIVE 1

Finalize development of a ministry-wide business resumption plan to ensure continuity of services under the responsibility of Community Development in the event of service interruptions.

The ministry business continuity (resumption) plan was completed.

As part of the redevelopment of the Jubilee Auditoria, the information technology portion of the business resumption plan has been updated to include specific details for the development of an alternative site to allow information technology system connectivity in the event of loss of a ministry work location. While the auditoria are under renovation, the Provincial Archives of Alberta has been designated as the primary alternate work site for business continuity purposes. In addition, a ministry Business Continuity Team including representatives from all divisions within the ministry has been formed and is being trained to take a leadership role in the event of activation of the business continuity plan as a result of an emergency situation.

CORPORATE INITIATIVE 2

Pursue accessibility goals for persons with disabilities across the ministry's divisions and agencies.

The ministry advanced opportunities for persons with disabilities to participate in its programs and services. The Reynolds-Alberta Museum in Wetaskiwin provided volunteer opportunities in this regard to better ensure the care of artefacts on display. The Oil Sands Discovery Centre in Fort McMurray contracted its summer seasonal food service operation with a local agency working with adults with developmental disabilities.

The *Wild Alberta Gallery* at the Provincial Museum of Alberta was developed with input from groups representing persons with disabilities to ensure access to the gallery experience for all Albertans.

The Alberta Public Library Electronic Network (APLEN) delivered the Canadian National Institute for the Blind Visunet Program, which provides visually and physically handicapped Albertans with access to talking books, newspapers, magazines, descriptive videos and electronic text (e-books).

CORPORATE INITIATIVE 3

Assess the recommendations arising from the ministry review of the report *Review of Agencies, Boards and Commissions and Delegated Administrative Organizations*, with respect to grant flow-through agencies, for possible implementation within the ministry.

Two of the recommendations from the *Review of Agencies, Boards and Commissions and Delegated Administrative Organizations* (Renner Report) were addressed in 2002-03. They were the development of memorandums of understanding with the foundations and the development of an assessment tool to enable the foundations to assess the effectiveness of their governance and accountability. The remaining recommendation from the Renner Report with respect to grant flow-through agencies was reviewed in 2003-04. Recommendations from the ministry review were evaluated and it was determined that the recommendations would not be implemented at this time.

CROSS-MINISTRY PRIORITY POLICY INITIATIVES

ABORIGINAL POLICY INITIATIVE
The ministry:

Completed public consultations with Alberta Government Services and Alberta Aboriginal Affairs and Northern Development regarding unregistered burials and finalized reports on these processes. The ministry also developed information to aid volunteer organizations to participate in the identification and protection of unregistered or abandoned graves and cemeteries.

Provided planning and development advice to the Siksika First Nation on the development of the Blackfoot Crossing Interpretive Centre, the Metis Nation of Alberta on the development of the Metis Interpretive Complex near Smoky Lake, and the City of Edmonton on the development of a commemorative centre for the Fort Edmonton Cemetery adjacent to Epcor's Rossdale power plant site. The ministry also continued to chair the Aboriginal Cultures and Tourism Working Group of federal/provincial/territorial directors of culture and heritage.

Worked with the Central Coordinating Group (CCG) to plan the Aboriginal Consultation Initiative with respect to resource development and land management. CCG completed discussions with First Nations and industry regarding principles for consultation, drafted cross-ministry guidelines for consultation and staged regional workshops across the province for comment from First Nations and industry.

ALBERTA CHILDREN AND YOUTH INITIATIVE
The ministry:

Developed new programs at the Provincial Museum of Alberta including: the Math Discovery Room Program and Natural History Programs for grades three to six. Also, the Family Program continued throughout the spring and summer with a weekly A-Z event for young children, daily gallery presentations and a major family-oriented preview of the new *Wild Alberta Gallery*.

Provided two popular children's programs at the Royal Tyrrell Museum of Palaeontology, Mini-Mite Dino Camp (ages four to six) and Summer Day Camp (ages seven to 12). The museum also partnered with Essential Talk to produce a web-based educational program for grade six and up to test the market for self-guided interactive programs.

Provided interpretive programming at provincial parks and provided outreach programs in Calgary schools and other venues. Advisory services were provided to the Calgary Board of Education to assist in developing environmental education programs. Curriculum-based environmental education programming was also provided at locations across the province.

ECONOMIC DEVELOPMENT STRATEGY

The ministry:

Awarded grants totalling approximately $10.4 million for film production through the Alberta Film Development Program. The ministry continued to build a strong working relationship with Alberta Economic Development through the joint office of Alberta Film to ensure that film production in Alberta continues to grow. The ministry also initiated a review of the Alberta Film Development Program that will provide recommendations on program guidelines and administrative adjustments.

Collaborated with ministries across government to advance the Economic Development Strategy through participating on the Strategic Tourism Marketing Council and in a number of regional tourism marketing consortia related to the historical resources and parks sector. Recent reforms enable the ministry's heritage facilities and parks to apply for matching funds to support marketing opportunities.

HEALTH SUSTAINABILITY INITIATIVE

The ministry:

Developed contracts to directly support the Active Living Strategy for seniors (Home Support Exercise Program), communities (Active Communities) and workplaces (Workplace Active Living). This enabled training of homecare workers to deliver a safe and beneficial exercise program to frail homebound elderly, the development of a strategy to support and recognize municipalities that enhance Active Living initiatives, and the completion of an environmental scan of the Workplace Active Living Program in Alberta.

Geared education initiatives towards ongoing interpretation of the *Protection for Persons in Care Act* in areas that have wide reaching effects on persons with developmental disabilities, including personal care aides and other nursing student bodies, social worker groups and regions that have undergone major changes or are expressing difficulties in understanding the act.

FINANCIAL OVERVIEW

MINISTRY OF COMMUNITY DEVELOPMENT REVENUES

(millions of dollars)

	2003-04 Budget	2003-04 Actual	2002-03 Actual
Internal Government Transfers	$ 76.2	$ 72.1	$ 56.3
Transfers from the Government of Canada	16.1	17.5	15.4
Investment Income	1.5	1.4	1.2
Premiums, Fees and Licences	9.8	8.8	8.3
Other Revenue	7.3	11.5	9.4
	$ 110.9	$ 111.3	$ 90.6

Revenues

Revenues in 2003-04 totalled $111.3 million. This consisted of $72.1 million in internal government transfers (Lottery Fund); $17.5 million in transfers from the Government of Canada, primarily Canada Health and Social Transfers relating to the provision of services to adults with developmental disabilities; $1.4 million in investment income; $8.8 million in premiums, fees and licences, including admission, camping and film classification fees; and $11.5 million in other revenue, including donations, contributions in kind, sales, various miscellaneous revenues and refunds of expenses.

COMPARISON OF 2003-04 BUDGET TO 2003-04 ACTUAL

Total actual revenues were $0.4 million more than budgeted. The net increase is a result of increased transfers from the Government of Canada ($1.4 million) due to modifications to the methodology for allocating Canada Health and Social Transfers; increased other revenue which includes refunds of expenses ($2.6 million), donations ($1.0 million), and sales ($0.5 million); decreased internal government transfers (Lottery Fund) for assistance to the First Nations Development Fund ($4.0 million); decreased premiums, fees and licences because of reduced revenues from camping fees collected at provincial parks, as well as decreased admission fees collected at historic sites ($1.0 million); and decreased investment income ($0.1 million).

COMPARISON OF 2003-04 ACTUAL TO 2002-03 ACTUAL

Total actual revenues increased by $20.7 million from the previous year, due primarily to increased internal government transfers (Lottery Fund) to fund: film development ($5.0 million); arts organizations and individual artists ($2.9 million); provincial sport and recreation associations, and various recreation and sport programs ($2.8 million); Edmonton Centennial Project ($1.4 million); 2005 World Masters Games ($1.3 million); volunteerism ($1.2 million); heritage programs ($1.0 million); and equality and promotion of fairness and access ($0.2 million). The balance of the increase was due to increases in transfers from the Government of Canada ($2.1 million); refunds of expenses ($2.3 million) and miscellaneous other revenue ($0.5 million).

MINISTRY OF COMMUNITY DEVELOPMENT EXPENSE BY CORE BUSINESS

(millions of dollars)

	2003-04		2002-03
	Budget	Actual	Actual
Support Individuals and Organizations through Community Development	$ 98.8	$ 94.8	$ 76.5
Protect Human Rights, Promote Fairness and Access, and Support the Protection, Inclusion, and Participation of all Albertans	458.1	452.3	414.2
Preserve, Protect and Present Alberta's History, Culture and Provincial Parks and Protected Areas	90.5	86.4	82.3
	$ 647.4	$ 633.5	$ 573.0

Expenses

EXPENSES BY CORE BUSINESS

Expenses in 2003-04 totalled $633.5 million in the three core businesses.

COMPARISON OF 2003-04 BUDGET TO 2003-04 ACTUAL

Total actual expenses were $13.9 million less than budgeted. The core business *Support individuals and organizations through community development* had $4.0 million less than budgeted primarily due to no funding being provided for the assistance to the First Nations Development Fund. The core business *Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans* expenses were $5.8 million less than budgeted primarily because caseloads and cost pressures were not as high as anticipated for Persons with Developmental Disabilities boards ($4.8 million); and continuing development of both the Alberta Brain Injury Initiative ($0.6 million) and Gaps in Services Project within Community Support Systems ($0.4 million). The core business *Preserve, protect and present Alberta's history, culture and provincial parks and protected areas* had $4.1 million fewer expenses than budgeted. This is due primarily to no divestitures of provincial parks or recreation areas ($7.5 million), offset by increased cost of parks operations ($2.0 million); funding for Edmonton Centennial 2004 ($1.1 million); and miscellaneous increases in cultural facilities and historical resources ($0.3 million).

COMPARISON OF 2003-04 ACTUAL TO 2002-03 ACTUAL

Total actual expenses increased by $60.5 million from the previous year. The core business *Support individuals and organizations through community development* had increased expenses of $18.3 million. This was due primarily to increased support to provincial, regional and community-based organizations and individuals through Community Development's lottery-funded agencies ($13.9 million); increased library operating grants ($2.4 million); increased funding for hosting major athletic events ($1.8 million); increased funding to Alberta NHL Teams Initiative ($0.6 million); offset by other miscellaneous net decreases ($0.4 million). The core business *Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans* experienced increased expenses of $38.1 million as a result of growth in the number of Persons with Developmental Disabilities clients and increased salary and operating costs ($35.2 million); growth in the Alberta Brain Injury Initiative ($2.1 million); growth in Community Support Systems and GAPS Program ($0.9 million); and other miscellaneous net decreases ($0.1 million). The core business *Preserve, protect, and present Alberta's history, culture and provincial parks and protected areas* had increased costs of $4.1 million due primarily to increased parks operations ($2.7 million); increased funding to support history and culture, for which additional lottery funding was received ($1.0 million) and miscellaneous net increases ($0.4 million).

MINISTRY OF COMMUNITY DEVELOPMENT EXPENSE BY FUNCTION

(millions of dollars)

	2003-04		2002-03
	Budget	Actual	Actual
Social Services	$ 451.5	$ 446.5	$ 408.2
Protection of Persons and Property	6.6	6.6	6.0
Recreation and Culture	185.3	180.4	158.8
Agriculture, Resource Management and Economic Development	4.0	-	-
Total Expense by Function	$ 647.4	$ 633.5	$ 573.0

Expense by function identifies the principal purpose for which an expense is incurred rather than the activity involved. This basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function *social services* includes expenses incurred in the delivery of services to persons with developmental disabilities. The function *protection of persons and property* includes expenses for services provided specifically to ensure public interest objectives are achieved, such as human rights and protection for persons in care. The function *recreation and culture* includes expenses incurred in the delivery of programs and services to promote leisure activities. The function *agriculture, resource management and economic development* is designated to include expenses for the assistance to the First Nations Development Fund. Since no eligible casinos were in operation, expenses were not incurred.

FUTURE CHALLENGES

The service issues, major needs, trends and opportunities that define the environment in which the ministry operates provide guidance in developing the ministry's goals and strategies. Environmental issues that impact the strategic direction of the ministry include:

1. Increasing demands generated by community needs within the arts and culture, sport and recreation, and voluntary sectors;
2. Rising expectations of Albertans for equitable access to the public library system from anywhere in Alberta in support of their work, leisure and learning goals;
3. Increasing complexity of human rights and diversity issues, and the need for programs and services that contribute to building a more inclusive society;
4. Increasing needs generated by the aging of persons with developmental disabilities and their parents/guardians;
5. Needs to strengthen safeguards for vulnerable adults in care;
6. Lack of a legislative framework to support innovative, cost-effective and coordinated services for persons with disabilities;
7. Increasingly high expectations for up-to-date and sophisticated exhibits at provincial historic sites, museums and interpretive centres, which continue to attract over one million local and international visitors annually;
8. Balancing the public's expectations for outdoor recreation opportunities against their expectations for the protection and preservation of Alberta's natural heritage, as provincial parks and protected areas continue to attract over eight million visitors annually;
9. Effective management, protection and monitoring of all Alberta parks and protected areas, given the expansion of 13 existing parks and protected areas and the creation of 81 new ones as a result of the Special Places Program;
10. Integrating new information technologies within the ministry's operations to optimize the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas;
11. Needs to upgrade and renew the aging infrastructure for provincial historic sites, museums, interpretive centres, parks and protected areas; and
12. New revenue generation alternatives and flexible financial partnerships to facilitate the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas.

Given these challenges, the ministry has identified the following strategic priorities to ensure a focus on achieving its goals:

1. Fostering equality, strengthening community inclusion for persons with disabilities, and supporting the reduction of discrimination and barriers to full participation in society;
2. Upgrading, renewing and maintaining infrastructure for provincial historic sites, museums, interpretive centres, and parks and protected areas; and
3. Increasing local capacity for self-reliance in the arts and culture, film, sport and recreation, library and voluntary sectors.

Performance Measures Data Sources and Methodology

Community Development Survey of Albertans

(Measures: 1.1A, 1.1B, 1.1C, 1.1D and 2.1A)
This annual province-wide telephone interview survey of 1,000 adult Albertans was conducted by Research Innovations Inc. The survey used a random sample stratified by age group, gender and geographic location, to be representative of Alberta's population. A pre-test of the questionnaire was performed, and all interviews were conducted in January 2004 by trained and experienced interviewers. Question order was randomly rotated to minimize potential question order bias. Interviews were monitored while in progress, and 10 per cent of each interviewer's work was directly monitored. The response rate was 54.3 per cent. Data were analyzed with STATXP software. The margin of error for the data is +/- 3.2 per cent at the 95 per cent confidence level.

Client Service Reporting System

(Measure: 1.1E)
The Client Service Reporting System, a project-based system, includes data from projects delivered through the ministry's regional offices to communities across the province. Clients include community leaders, members of community organizations or representatives of government. Clients receiving services in excess of three hours of project time are surveyed. Evaluation forms are distributed at the close of service delivery and the completed forms are returned in a sealed envelope to the regional office. Regional coordinators subsequently verify that the data in the system accurately reflects the information from the client satisfaction summary. A weighting factor, based on the evaluations returned by region, is applied to calculate the overall satisfaction level. Overall satisfaction is based on the top two combined response categories of a six point rating scale. The six point satisfaction scale includes the response categories: very satisfied, satisfied, slightly satisfied, slightly dissatisfied, dissatisfied and very dissatisfied. Over 1,150 evaluation forms were returned. The response rate was 95.3 per cent.

Film Production Employment Opportunities and Value of Film Production Statistics

(Measures: 1.1F (i & ii))
Film production companies approved for funding under the Alberta Film Development Program submit a film production report to the ministry for each production satisfactorily completed. Upon receipt by the ministry, the film production report is reviewed and verified by the grants administrator for content in accordance with the grant guidelines. The grants administrator extracts source data from the film production report and enters it into an internal database. Reports are generated through the internal database, one with the count of the film production employment opportunities and another report with a sum of the dollar value of film production. Data for a production are included in the fiscal year that the grant was paid or accrued. Reporting may occur in a different fiscal year than the year in which the bulk of production work takes place due to project completion times crossing the reporting year and influencing results for the following year. The production report includes a video copy of the finished production; appropriate financial statements (audits or review engagement) with clear schedules outlining Alberta expenses; a list of all personnel engaged on the project, including job titles and residency; and a declaration confirming that the applicant and the production meet all eligibility requirements for the program.

PDD Satisfaction Survey: Are You Happy with Your Services?

(Measure: 2.2A)

As this is a biennial survey, the following procedures relate to the most recent results available (i.e., 2002-03). This survey reflects persons with developmental disabilities overall satisfaction with Persons with Developmental Disabilities (PDD) funded services. The Vocational and Rehabilitation Research Institute was contracted to conduct the PDD Satisfaction Survey. The questionnaire was available for the first time from the PDD website. In addition, it was distributed through regional board offices to potentially interested individuals receiving PDD-funded services who were identified by PDD service providers, families/guardians, self-advocacy groups and in some regions, client service coordinators. The sampling strategy used was non-probability, convenience sampling based on respondents self-selection. The three survey questions used to calculate overall satisfaction dealt with whether the services met the person's needs; whether they were satisfied overall that the services provided enhanced the person's quality of life; and whether they were satisfied overall that the person's services helped him or her to be a part of the community as much as desired. Questionnaires were distributed starting mid-January. A total of 418 questionnaires, representing approximately five per cent of individuals receiving PDD-funded services, were received by the end of March 2003. Details of the response process are available for 404 questionnaires. Of these, 84 per cent were completed with the help of someone else, e.g., a staff member (67 per cent), family member (10 per cent), friend (four per cent) or other (three per cent); individuals receiving PDD-funded services completed 16 per cent by themselves. A total of 325 questionnaires included responses for all three questions used in the analysis. Data were analyzed with SPSS software. The margin of error is +/- 1.8 per cent at the 95 per cent confidence level.

PDD Family/Guardian Satisfaction Survey

(Measure: 2.2B)

As this is a biennial survey, the following procedures relate to the most recent results available (i.e. 2002-03). This survey reflects the overall satisfaction of families/guardians with PDD-funded services received by the person to whom they provide guardianship. The Vocational and Rehabilitation Research Institute was contracted to conduct the Family/Guardian Satisfaction Survey. The population consisted of all legal guardians, including public guardians, and/or family members in the absence of a legal guardian of individuals receiving PDD-funded services in Alberta. Regional offices distributed the questionnaire to family/guardians by mail. The questionnaire was distributed in January 2003. A total of 1,273 questionnaires were received by the end of March 2003 for a 34.1 per cent response rate. Of these questionnaires, 1,101 included responses for all three questions used in the analysis. The same three survey questions identified above were also used in the family/guardian questionnaire to calculate overall satisfaction. The results for this measure were obtained by computing the mean average for the three indicators. Overall satisfaction results were determined using the top two combined response categories of a four point rating scale for the categories: "strongly agree," "agree," "disagree" and "strongly disagree." Data were analyzed with SPSS software. The margin of error is +/- 1.6 per cent at the 95 per cent confidence level.

Heritage Facilities Visitor Survey - Non-local and Local Residents

(Measures: 3.1A, 3.1B and 3.1C (i) and (ii))

Surveys were conducted with independent visitors at the 17 provincial historic sites, museums and interpretive centres. Independent visitors do not include after-hours visitors nor visitors in group tours such as school groups, seniors groups and tour groups. A multi-stage, stratified systematic random sample was used and each facility was sampled independently. Trained ministry field staff conducted the survey and results were analyzed by a private research firm (Infact Research and Consulting Inc.) according to a set of standard procedures. In total, more than 5,300 interviews were processed. Overall results were determined using the top two combined response categories of a five point rating scale for the categories: "excellent," "good," "neither good nor poor," "poor," and "very poor." Over 99 per cent of the respondents answered the satisfaction and the knowledge gained questions. The margin of error is +/- 1.4 per cent at the 95 per cent confidence level. The sample was based on two seasons, winter 2002-03 (September 3, 2002 to May

14/16, 2003) and summer 2003 (May 15/17 to September 1, 2003). Surveying during winter is conducted on an occasional basis only, as the winter period makes up a relatively small proportion of visitation.

Demand Economic Impact Model (DEIM)

(Measures: 3.1C (i) and (ii))

Econometric Research Ltd. was contracted to apply the DEIM model to estimate the level of economic activity created by the operation of the ministry's provincial historic sites, museums and interpretive centres. Economic activity included the direct operational expenditures, incremental visitor expenditures (based on information from the 2002-03 Heritage Facilities Visitor Survey) and the significant indirect benefits for the local and provincial economies. The value-added impact and taxation returned to municipal, provincial and federal government were measured and reported separately to assist in evaluating associated economic benefits.

Parks and Protected Areas Visitor Satisfaction Survey

(Measure: 3.2A)

The survey included a representative cross-section of 106 provincial parks or recreation area campgrounds according to size (visitation) and geography. Only automobile accessible campgrounds where visitation is greater than 1,050 occupied campsite nights were included. A random sample of adult campers are surveyed at approximately 35 campgrounds per year on a three-year rotational cycle. Although 36 campgrounds were identified to be surveyed in 2003-04, results for only 29 campgrounds were used due to unforeseen circumstances (e.g., wildfires), small sample sizes and survey discrepancies. Survey data was collected from May 2003 to September 2003, resulting in a sample size of more than 3,000 questionnaires. Results for this measure are not comparable with the previous year since the measure's rating scale was revised in 2003-04 to more accurately reflect satisfaction. Overall results are now determined through the top two combined response categories of a five point rating scale for the categories: "very satisfied," "satisfied," "neutral," "dissatisfied," and "very dissatisfied." The margin of error is +/- 1.7 per cent at the 95 per cent confidence level.

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FINANCIAL INFORMATION

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Community Development as at March 31, 2004 and the consolidated statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As disclosed in Note 15, the Ministry operates some of its cultural facilities with the assistance of volunteer societies. These volunteer societies collect government revenues, incur expenses and retain the surpluses for operating and improving the facilities. These Ministry revenues and surpluses have not been reported in these financial statements. We estimate that the omission of the amounts has resulted in net revenues and net assets at March 31, 2004 being understated by approximately $882,000 (2003 - $768,000) and $10,000,000 (2003 – $8,963,000) respectively.

In my opinion, except for the effect of the matters discussed in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 13, consolidated expenses include payments made by Persons with Developmental Disabilities Boards for the provision of services to individuals whose disability did not meet the definition of a developmental disability as defined in the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Ministry of Community Development
Consolidated Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Internal Government Transfers	$ 76,160	$ 72,144	$ 56,298
Transfers from the Government of Canada	16,097	17,514	15,470
Investment Income	1,484	1,364	1,225
Premiums, Fees and Licences	9,797	8,792	8,271
Other Revenue	7,324	11,471	9,381
	110,862	111,285	90,645
Expenses – Directly Incurred (Note 2(c) and Schedules 2, 3 and 6)			
Support Individuals and Organizations through Community Development	96,671	92,697	74,775
Protect Human Rights, and Promote Fairness and Access	4,811	4,821	4,488
Support the Protection, Inclusion and Participation of All Albertans	451,699	445,936	408,447
Preserve, Protect and Present Alberta's History and Culture	36,322	37,979	38,169
Preserve, Protect and Present Alberta's Provincial Parks and Protected Areas	46,025	40,325	37,474
Ministry Support Services	11,613	10,239	8,888
	647,141	631,997	572,241
Valuation Adjustments			
Provision for Doubtful Accounts	-	34	30
Provision for Vacation Pay	217	1,533	741
	217	1,567	771
Total Expenses	647,358	633,564	573,012
(Gain) Loss on Disposal of Tangible Capital Assets	(1,179)	(2)	9,165
Net Operating Results	$ (535,317)	$ (522,277)	$ (491,532)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Community Development
Consolidated Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash (Note 3)	$ 46,422	$ 39,695
Accounts Receivable, Prepaid Expenses and Inventories (Note 4)	2,815	2,488
Long Term Investments (Note 5)	11,635	11,346
Tangible Capital Assets (Note 6)	184,572	188,499
	$ 245,444	$ 242,028
Liabilities		
Accounts Payable and Accrued Liabilities	$ 50,371	$ 45,795
Unearned Revenue	736	1,238
	51,107	47,033
Net Assets		
Net Assets, Beginning of Year	194,995	214,347
Net Operating Results	(522,277)	(491,532)
Net Transfer from General Revenues	521,619	472,180
Net Assets, End of Year (Note 8)	194,337	194,995
	$ 245,444	$ 242,028

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Community Development
Consolidated Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ (522,277)	$ (491,532)
Non-cash Items included in Net Operating Results:		
Amortization of Tangible Capital Assets	9,727	9,890
Valuation Adjustments	1,567	771
(Gain) Loss on Disposal of Tangible Capital Assets	(2)	9,165
Grants in Kind	-	3,691
	(510,985)	(468,015)
(Increase) Decrease in Accounts Receivable, Prepaid Expenses and Inventories before Valuation Adjustments	(361)	981
Increase in Accounts Payable and Accrued Liabilities before Valuation Adjustments	3,043	360
Decrease in Unearned Revenue	(502)	(1,296)
Cash Applied to Operating Transactions	(508,805)	(467,970)
Capital Transactions		
Acquisition of Tangible Capital Assets	(6,009)	(2,142)
Disposal of Tangible Capital Assets	625	18
Transfers of Tangible Capital Assets	(120)	(552)
Donation of Tangible Capital Assets	(294)	-
Cash Applied to Capital Transactions	(5,798)	(2,676)
Investing Transactions:		
Acquisition of Investments	(289)	(176)
Cash Applied to Investing Transactions	(289)	(176)
Financing Transactions		
Net Transfer from General Revenues	521,619	472,180
Increase in Cash	6,727	1,358
Cash and Short Term Investments, Beginning of Year	39,695	38,337
Cash and Short Term Investments, End of Year	$ 46,422	$ 39,695

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Community Development
Notes to the Consolidated Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Minister of Community Development (Minister) has, by the *Government Organization Act* and its regulations, been designated responsible for various *Acts*. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Community Development (Ministry).

The purpose of the Ministry is to enhance and preserve the quality of life for Albertans. This is done by:

- Supporting a high quality of life in Alberta by working in collaboration with individuals, organizations and communities to increase local capacity for self-reliance in the arts and culture, sport and recreation, library and voluntary sectors;
- Increasing understanding and awareness of diversity, fostering equality and reducing discrimination so all Albertans have the opportunity to participate in the social, economic and cultural life of the province;
- Ensuring that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse;
- Preserving, protecting, presenting, researching and promoting appreciation for Alberta's historical resources and culture and providing opportunities for heritage tourism; and
- Maintaining Alberta's provincial parks and protected areas to preserve the province's natural heritage and providing opportunities for heritage appreciation, outdoor recreation and heritage tourism.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These consolidated financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries.

Ministry of Community Development
Notes to the Consolidated Financial Statements
Year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity

The reporting entity is the Ministry of Community Development. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

Organization	Authority
Department of Community Development	*Government Organization Act*
Alberta Foundation for the Arts	*Alberta Foundation for the Arts Act*
The Alberta Historical Resources Foundation	*Historical Resources Act*
Alberta Sport, Recreation, Parks and Wildlife Foundation	*Alberta Sport, Recreation, Parks and Wildlife Foundation Act*
The Government House Foundation	*Government House Act*
The Historic Resources Fund	*Historical Resources Act*
Human Rights, Citizenship and Multiculturalism Education Fund	*Human Rights, Citizenship and Multiculturalism Act*
The Wild Rose Foundation	*Wild Rose Foundation Act*
Persons with Developmental Disabilities Provincial Board and Community Boards	*Persons with Developmental Disabilities Community Governance Act*

All departments of the Government of Alberta operate within the General Revenue Fund (Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by the departments are paid from the Fund. Net Transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs which comprise the cost of employer contributions for current service of employees during the year; and

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred (continued)

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Investments are recorded at cost. Where there has been a loss in the value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

Inventories are valued at the lower of cost and net realizable value.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is between $5,000 and $15,000 in accordance with each organization's capitalization policy. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings, and works of art held by the Ministry are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Restricted funds, endowment funds, and general reserves (Note 8) are considered appropriations from net assets and are reported as net assets.

An externally restricted fund accounts for non-government contributions, which can only be used for the purpose specified by the donor.

An internally restricted fund accounts for funds restricted by the Ministry Foundations for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

An endowment fund accounts for contributions received under various agreements with sponsors and matching funds may be provided by Ministry Foundations. In addition, the endowment fund can include internally restricted funds to be used for identified purposes, or for retaining an ongoing funding capability.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, long-term investments, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 3 Cash (thousands of dollars)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Ministry's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates.

	2004	2003
Cash	$ 54,589	$ 47,862
Less Appropriated for Non-current Use (Note 5)	(8,167)	(8,167)
	$ 46,422	$ 39,695

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Cash in the amount of $1,818 has been externally restricted and $336 has been internally restricted and is therefore not available to pay for operating expenses.

Ministry of Community Development
Notes to the Consolidated Financial Statements
Year ended March 31, 2004

Note 4 Accounts Receivable, Prepaid Expenses and Inventories (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,762	$ (57)	$ 1,705	$ 1,341
Refunds from Suppliers	327	-	327	307
Advances	-	-	-	55
Others Including Prepaids and Inventories	783	-	783	785
	$ 2,872	$ (57)	$ 2,815	$ 2,488

Accounts receivable are unsecured and non-interest bearing.

Note 5 Long Term Investments (thousands of dollars)

	2004			2003	
	Effective Interest Rate	Cost	Market	Cost	Market
Deposit with Life Insurance Companies Maturing in 2008[(a)]	5.125%	$ 300	$ 300	$ 300	$ 300
Mutual Funds-Bond Fund		3,168	3,311	2,879	2,992
Cash and Short Term Investments Appropriated for Non-current Use[(b)]		8,167	8,167	8,167	8,167
		$ 11,635	$ 11,778	$ 11,346	$ 11,459

[(a)] The deposits with life insurance companies can be realized prior to maturity dates only with the payment of penalties.

[(b)] Cash and short-term investments have been appropriated for non-current use by several entities in the Ministry to segregate the amounts that are needed to meet their long-term needs for endowments, reserves and other restricted uses.

Note 6 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General Capital Assets					
Land	N/A	$ 39,934	$ -	$ 39,934	$ 39,740
Buildings	20-40 years	107,781	(60,934)	46,847	49,029
Computer Hardware and Software	3-8 years	3,080	(2,175)	905	452
Equipment	3-15 years	24,940	(17,810)	7,130	3,687
Other	7-20 years	16,992	(14,568)	2,424	3,192
		192,727	(95,487)	97,240	96,100
Infrastructure Assets					
Land Improvements	40 years	138,259	(70,364)	67,895	71,650
Highways and Roads	40 years	47,428	(30,166)	17,262	18,522
Bridges	60 years	2,894	(719)	2,175	2,227
		188,581	(101,249)	87,332	92,399
		$ 381,308	$ (196,736)	$ 184,572	$ 188,499

Note 7 Collections

Collections consist of historical and scientific artifacts, archival holdings, and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Ministry has not recorded the value of these collections in the consolidated financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for $372 million. A description of the major collections is as follows:

(a) The Province, through the Historic Sites and Cultural Facilities Branch, preserves and presents 9 historic sites that contain 48 restored historic buildings/structures and 3 stabilized ruins. The Branch also operates 3 interpretive centers, 2 museums and 2 cultural facilities. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.

Note 7 Collections (continued)

(b) The Provincial Museum of Alberta maintains 13 Curatorial programs, with total collection holdings comprising approximately 10 million objects. This includes more than 1,220,000 objects on-site; over 12,000 warehoused objects off site and another estimated 8,660,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic, and textile collections; and the permitted archaeological materials recovered in Alberta, all with associated images, audio and books.

(c) The Royal Tyrrell Museum of Palaeontology collection has over 109,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.

(d) Reynolds-Alberta Museum exhibits approximately 150 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,100 major and 3,400 smaller artifacts. Included in these numbers are 80 vintage aircraft, 8 of which are on permanent loan to the museum. The museum also houses a collection of documents, numbering over 50,000 pieces, related to the museum's mechanization themes.

(e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 265 carriages, buggies, wagons and sleighs, and approximately 690 associated small artifacts.

(f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites and Cultural Facilities' collection of approximately 47,500 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.

(g) The Provincial Archives of Alberta holds approximately 36,500 linear metres of government textual records; 4,590 linear metres of private textual records; 61,800 maps; 27,600 architectural drawings; 2,090,000 photographic images; 46,800 hours of sound recordings; 66,000 hours of film and video materials; and 12,300 volumes of library holdings.

(h) The Collection Management Unit of the Arts Branch, manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.

Note 7 Collections (continued)

(i) The Glenbow-Alberta Institute, under contract to the Cultural Facilities and Historical Resources Division, manages the care of, and access to, a publicly owned collection of approximately 226,000 artifacts in cultural history, military history, ethnology, art and mineralogy; approximately 5 shelf kilometres of textual and archival records; over 2,100,000 historical photographs; about 350 hours of film footage; and 7,200 sound recordings. The collection is continually enhanced each year.

(j) The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions.

At March 31, 2004, the collection consisted of approximately 379 (2003 – 379) pieces of artworks and other items, with an approximate value $948,342 (2003 – $948,342). During the year, the Government House Foundation purchased artworks at a total cost of Nil (2003 – Nil). There were no contributions to the collections during the year, (2003 – Nil), and there were no disposals during the year (2003 – Nil).

(k) The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At year end, the collection consisted of approximately 7,148 (2003 – 6,939) artworks with an approximate value of $7,844,000 (2003 – $7,439,000). During the year, the Alberta Foundation for the Arts purchased 108 (2003 – 110) artworks by Alberta artists at a total cost of $289,555 (2003 – $249,955). Contributions to the collection included 114 (2003 – 47) artworks with an appraised value of $117,188 (2003 – $112,975). There were 13 artwork disposals during the year for $2,237 (2003 – $1,307).

(l) The Alberta Historical Resources Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 401 (2003 – 410) artworks with an estimated value of $16,950 (2003 – $17,290), and 30 (2003 – 30) antique furnishings estimated at $12,700 (2003 – $12,700). During the year, the Alberta Historical Resources Foundation did not acquire any historical assets (2003 – Nil) and there were 9 (2003 –6) dispositions.

(m) The Alberta Sport, Recreation, Parks and Wildlife Foundation has a collection of artworks consisting of 22 (2003 – 23) prints of the Waterfowl of North America Collection # 1250 with an approximate value of $6,290 (2003 – $6,558). During the year, there was 1 (2003 – 2) disposition. The proceeds received of $140 (2003 – $275) were donated to the Alberta Sports Hall of Fame and Museum for charitable purposes.

Note 8 Net Assets (thousands of dollars)

	2004	2003
Unrestricted Funds	$ 179,067	$ 179,885
Endowment Funds	9,416	9,415
Externally Restricted Funds	3,749	3,591
General Reserves	1,967	1,967
Internally Restricted Funds	138	137
	$ 194,337	$ 194,995

Note 9 Commitments (thousands of dollars)

As at March 31, 2004, the Ministry had commitments for leases, contracts and grants approved but not expended, pending fulfillment of eligibility conditions as follows:

	2004	2003
Service Contract and Grant Commitments	$ 52,767	$ 50,492
Lease Commitments[a]	2,220	2,039
	$ 54,987	$ 52,531

[a] The Ministry leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	2004
2004-2005	$ 977
2005-2006	632
2006-2007	366
2007-2008	131
2008-2009	58
Thereafter	56
	$ 2,220

Note 10 Contingencies (thousands of dollars)

The Ministry has a contingent liability in respect of fifteen claims (2003 – fourteen claims) aggregating $1.7 million (2003 – $2.7 million) relating to the decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. The ultimate outcome of these claims cannot be determined.

At March 31, 2004, the Ministry is a defendant in ten other legal claims (2003 – nine legal claims). Nine of these claims have specified amounts totalling $1,501 and the remaining one has no specified amount (2003 – eight claims with a specified amount of $1,406 and one with no specified amount). Included in the total legal claims are three claims amounting to $250 (2003 – one claims with no specified amount) in which the Department has been jointly named with other entities. Seven claims amounting to $1,221 (2003 – four claims amounting to $926) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation, which may be the responsibility of the Ministry. The potential costs relate to restoring buildings and other sites to acceptable contractual standards. The preliminary estimate of the amount of such potential contingent liabilities is $2,456. Costs for site remediation and reclamation are recognized in the financial statements when work is undertaken.

Note 11 Trust Funds Under Administration (thousands of dollars)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2004, trust funds under administration were as follows:

	2004	2003
Parks General Trust and Performance Deposits	$ 329	$ 308
Gakken Dinosaur Exhibit Trust Fund	159	154
Persons with Developmental Disabilities Community Board's Client Trust Funds	355	377
Fort Dunvegan Historical Society Trust Fund	6	6
	$ 849	$ 845

In addition to the above trust funds under administration, the Ministry holds bank guarantees in the form of letters of credit in the amount of $1,499 (2003 restated – $1,602).

Note 12 Defined Benefit Plans (thousands of dollars)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $6,967 for the year ended March 31, 2004 (2003 – $5,463).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of $290,014 (2002 – $301,968) and the Public Service Pension Plan reported an actuarial deficiency of $596,213 (2002 – $175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $9,312 (2002 – $6,472).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of $9,766 (2003 – $14,434) and the Management, Opted Out and Excluded Plan reported an actuarial surplus of $1,298 (2003 – actuarial deficiency of $3,053). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies which were receiving services prior to the passing of the *Act* but which no longer met these new criteria for Persons with Developmental Disabilities (PDD) supports were grandfathered into the new PDD service system. In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to grandfathered individuals and agencies until service responsibility is handed-off to a more appropriate provincial program.

Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*. The total cost of these services for 117 (2003 – 129) individuals that have been included in the Consolidated Statement of Operations is estimated to be $3,798 (2003 restated – $3,856). The total cost for 7 (2003 – 11) agencies that have been included in the Statement of Operations is estimated to be $1,657 (2003 – $2,432).

Note 14 Services Provided by Regional Health Authorities (thousands of dollars)

The Ministry incurred $2,558 (2003 – $2,484), $2,125 (2003 – $2,063), and $353 (2003 – $352) for contract services rendered by the Palliser Regional Health Authority, Chinook Regional Health Authority, and David Thompson Regional Health Authority, respectively. These transactions were recorded at the amount of consideration agreed upon between the parties.

Note 15 Economic Interest

The Ministry has entered into cooperating agreements and provided exclusive licences to two not-for-profit organizations to operate and provide front-of-house and related activities at the Northern Alberta Jubilee Auditorium and the Southern Alberta Jubilee Auditorium. These not-for-profit organizations are incorporated under the *Societies Act* (Alberta) and function independently of the Ministry. The cooperating agreements and licences expire on March 31, 2005.

Under the cooperating agreements, the societies are required to direct all revenues generated towards programs and services in support of the respective auditorium. Cash in excess of working capital requirements is placed by the societies into a capital reinvestment trust fund. As at March 31, 2004 the two societies had $8,599,877 (2003 – $8,332,256) held as restricted funds to be utilized specifically for capital upgrading and major renovations of the auditoriums. The Ministry is not responsible for any liabilities of either society.

The Ministry had also entered into cooperating agreements with other not-for-profit societies to operate admission services at various Ministry sites. These agreements were terminated on March 31, 2000. Upon termination, funds held by these societies for facility reinvestment were donated to the Ministry to be used for the same purpose. These funds have been placed in the Historical Resources Fund and held as deferred contributions until such time as the funds are used for the purposes intended. As at March 31, 2004 this portion of the deferred contributions amounted to $215,671 (2003 – $305,638). In addition to the deferred contributions, two not-for-profit societies have retained facility reinvestment funds. As at March 31, 2004 the funds retained amounted to $109,264 (2003 – $130,786).

Note 16 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 17 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister of Community Development.

Schedule 1

Ministry of Community Development
Revenues
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Lottery Fund	$ 76,105	$ 72,105	$ 56,256
Transfer from Alberta Heritage Scholarship Fund	55	39	42
	76,160	72,144	56,298
Transfer from the Government of Canada			
Canada Health and Social Transfers	14,642	16,054	14,896
Other	1,455	1,460	574
	16,097	17,514	15,470
Investment Income			
Interest	1,484	1,364	1,225
Premiums, Fees and Licences			
Admission Fees	4,341	3,783	3,820
Film Classification	500	805	493
Maintenance Fees	675	1,044	885
Lands and Grazing	415	515	472
Other	3,866	2,645	2,601
	9,797	8,792	8,271
Other Revenue			
Donations and Contributions in Kind	2,052	3,052	3,218
Refunds of Expenses	745	3,529	1,202
Sales	605	1,142	1,113
Rental Revenue	135	137	741
Miscellaneous	3,787	3,611	3,107
	7,324	11,471	9,381
Total Revenues	$ 110,862	$ 111,285	$ 90,645

Schedule 2

Ministry of Community Development
Dedicated Revenue Initiatives
Year ended March 31, 2004
(thousands of dollars)

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues[a]	(Shortfall) / Excess[f]
Park Operations[b]	$ 4,350	$ 3,913	$ (437)
Cultural Facilities and Historical Resources[c]	1,000	1,362	362
Heritage Resources Management[d]	755	735	(20)
Francophone Secretariat[e]	350	365	15
	$ 6,455	$ 6,375	$ (80)

[a] Revenues from dedicated revenue initiatives are included in the Ministry's revenues in the Statement of Operations.

[b] The Parks and Protected Areas division collects various fees and other revenues that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

[c] Cultural facilities and historical resources dedicated revenue is related to donations of artifacts and other items to various historic sites and cultural facilities.

[d] The Government of Canada has provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.

[e] Francophone Secretariat dedicated revenue is a Canada-Alberta Cooperation Agreement to promote the official languages.

[f] Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4 to the financial statements.

Schedule 3

Ministry of Community Development
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Grants	$ 269,668	$ 221,384	$ 207,738
Supplies and Services	234,789	275,882	235,962
Salaries, Wages and Employee Benefits	132,195	125,851	116,953
Amortization of Tangible Capital Assets	9,791	9,727	9,890
Supplies and Services from Support Service Arrangements with Related Parties[a]	-	46	3,193
Financial Transactions and Other	698	142	137
	647,141	633,032	573,873
Less: Recovery from Support Service Arrangements with Related Parties[b]	-	(1,035)	(1,632)
Total Expenses	$ 647,141	$ 631,997	$ 572,241
Valuation Adjustments			
Provision for Doubtful Accounts	$ -	$ 34	$ 30
Provision for Vacation Pay	217	1,533	741
	$ 217	$ 1,567	$ 771

[a] The Ministry received financial and administrative services from the Ministry of Human Resources and Employment.

[b] The Ministry provided specialized program supports to children who are the responsibility of the Calgary and Area Child and Family Services Authority. Costs incurred for these services are recovered from the Calgary and Area Child and Family Services Authority.

Schedule 4

Ministry of Community Development
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004				
	Estimates	Adjustment[a]	Budget	Authorized Supplementary[b]	Authorized Budget
Revenues					
Internal Government Transfers	$ 76,160	$ -	$ 76,160	$ -	$ 76,160
Transfers from the Government of Canada	16,097	-	16,097	-	16,097
Investment Income	1,484	-	1,484	-	1,484
Premiums, Fees and Licences	9,797	-	9,797	-	9,797
Other Revenue	7,324	-	7,324	-	7,324
	110,862	-	110,862	-	110,862
Expenses					
Support Individuals and Organizations through Community Development	96,671	-	96,671	(1,342)	95,329
Protect Human Rights, and Promote Fairness and Access	4,811	-	4,811	-	4,811
Support the Protection, Inclusion and Participation of All Albertans	451,699	-	451,699	-	451,699
Preserve, Protect and Present Alberta's History and Culture	36,322	-	36,322	900	37,222
Preserve, Protect and Present Alberta's Provincial Parks and Protected Areas	46,025	-	46,025	2,442	48,467
Ministry Support Services	11,613	-	11,613	-	11,613
Dedicated Revenue Shortfall	-	(80)	(80)	-	(80)
	647,141	(80)	647,061	2,000	649,061
Valuation Adjustments					
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	217	-	217	-	217
	217	-	217	-	217
	647,358	(80)	647,278	2,000	649,278
Gain on Disposal of Tangible Capital Assets	(1,179)	-	(1,179)	-	(1,179)
Net Operating Results	$ (535,317)	$ 80	$ (535,237)	$ (2,000)	$ (537,237)
Equipment/Inventory Purchases	$ 510	$ -	$ 510	$ -	$ 510
Capital Investment	$ 1,262	$ -	$ 1,262	$ -	$ 1,262

[a] Adjustments include dedicated revenue shortfalls.

[b] Supplementary estimates of $1,000 were approved on December 4, 2003. In addition, on November 14, 2003, Treasury Board approved a one-time increase of $1,000 to access the fund balance of the Alberta Foundation for the Arts for the Alberta Film Development Program.

Schedule 5

Ministry of Community Development
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry receives services under contracts managed by the Ministry of Government Services (ACSC). Any commitments under these contracts are reported by the Ministry of Government Services (ACSC).

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2004	2003
Revenues		
Lottery Fund	$ 72,105	$ 56,256
Alberta Heritage Scholarship Fund	39	42
	$ 72,144	$ 56,298
Expenses – Directly Incurred		
Other Services	$ 9,753	$ 9,435
Tangible Capital Assets Transferred From (To) Others	$ 120	$ 552
Accounts Receivable	$ 12	$ 22
Accounts Payable	$ 6	$ 6

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements and are disclosed in Schedule 6.

	Other Entities	
	2004	2003
Expenses – Incurred by Others		
Accommodation	$ 31,381	$ 30,077
Parks Maintenance	1,587	1,500
Legal	341	390
	$ 33,309	$ 31,967

Schedule 6

Ministry of Community Development
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004							2003
		Expenses – Incurred by Others			Valuation Adjustments [e]			
Program	Expense[a]	Accommodation Costs [b]	Park Maintenance [c]	Legal Services [d]	Doubtful Accounts	Vacation Pay	Total Expenses	Total Expenses
Support Individuals and Organizations through Community Development	$ 92,697	$ 1,808	$ -	$ 80	$ -	$ 58	$ 94,643	$ 76,792
Protect Human Rights, and Promote Fairness and Access	4,821	125	-	1	-	18	4,965	4,670
Support the Protection, Inclusion and Participation of All Albertans	445,936	10,307	-	55	-	1,181	457,479	418,013
Preserve, Protect and Present Alberta's History and Culture	37,979	17,468	-	73	18	107	55,645	55,318
Preserve, Protect and Present Alberta's Provincial Parks and Protected Areas	40,325	1,372	1,587	87	16	147	43,534	40,826
Ministry Support Services	10,239	301	-	45	-	22	10,607	9,360
	$ 631,997	$ 31,381	$ 1,587	$ 341	$ 34	$ 1,533	$ 666,873	$ 604,979

[a] Expenses – Directly Incurred as per Consolidated Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square footage.

[c] The Department of Transportation provides road and bridge maintenance to Parks and Protected Areas.

[d] Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

[e] Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts provision included in Valuation Adjustments were allocated as follows:
- Vacation Pay – allocated to the program by employee,
- Doubtful Accounts Provision – estimated allocation to program.

Department of Community Development

Financial Statements

March 31, 2004

Department of Community Development
Financial Statements
March 31, 2004

Auditor's Report

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Schedule 7 – Related Party Transactions

Schedule 8 – Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Community Development

I have audited the statement of financial position of the Department of Community Development as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Department of Community Development
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Internal Government Transfers	$ 76,115	$ 72,115	$ 56,266
Transfers from the Government of Canada	15,747	17,244	15,329
Premiums, Fees and Licences	4,515	3,490	3,185
Other Revenue	1,385	2,497	2,126
	97,762	95,346	76,906
Expenses – Directly Incurred (Note 2(b) and Schedule 8)			
Voted (Schedules 2, 3 and 5)			
Ministry Support Services	11,613	10,239	8,888
Community Services	93,602	89,456	74,038
Human Rights and Citizenship	4,591	4,685	4,308
Community Support Systems	449,389	447,989	408,448
Cultural Facilities and Historical Resources	28,227	31,359	29,781
Parks and Protected Areas	46,025	40,325	37,474
	633,447	624,053	562,937
Statutory (Schedules 3 and 5)			
Queen's Golden Jubilee Scholarships	10	10	10
Valuation Adjustments			
Provision for Doubtful Accounts	-	16	15
Provision for Vacation Pay	217	362	402
	227	388	427
	633,674	624,441	563,364
(Gain) Loss on Disposal of Tangible Capital Assets	(1,179)	(2)	9,165
Net Operating Results	$ (534,733)	$ (529,093)	$ (495,623)

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 1,177	$ 29
Accounts Receivable (Note 3)	1,295	740
Tangible Capital Assets (Note 4)	176,825	184,608
	$ 179,297	$ 185,377
Liabilities		
Accounts Payable and Accrued Liabilities	$ 20,970	$ 19,585
Unearned Revenue	196	187
	21,166	19,772
Net Assets		
Net Assets at Beginning of Year	165,605	189,048
Net Operating Results	(529,093)	(495,623)
Net Transfer from General Revenues	521,619	472,180
Net Assets at End of Year	158,131	165,605
	$ 179,297	$ 185,377

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ (529,093)	$ (495,623)
Non-cash Items included in Net Operating Results:		
Amortization of Tangible Capital Assets	8,976	9,530
Valuation Adjustments	378	417
(Gain) Loss on Disposal of Tangible Capital Assets	(2)	9,165
Grants in Kind	-	3,691
	(519,741)	(472,820)
Decrease (Increase) in Accounts Receivable before valuation adjustments	(571)	290
Increase in Accounts Payable and Accrued Liabilities before valuation adjustments	1,023	1,664
Decrease in Advances	-	507
Increase in Unearned Revenue	9	8
Cash Applied to Operating Transactions	(519,280)	(470,351)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 5)	(1,696)	(1,440)
Disposal of Tangible Capital Assets	625	18
Transfers of Tangible Capital Assets	(120)	(552)
Cash Applied to Capital Transactions	(1,191)	(1,974)
Financing Transactions		
Net Transfer from General Revenues	521,619	472,180
Increase (Decrease) in Cash	1,148	(145)
Cash, Beginning of Year	29	174
Cash, End of Year	$ 1,177	$ 29

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Department of Community Development (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance and preserve the quality of life for Albertans. This is done by:

- Supporting a high quality of life in Alberta by working in collaboration with individuals, organizations and communities to increase local capacity for self-reliance in the arts and culture, sport and recreation, library and voluntary sectors;
- Increasing understanding and awareness of diversity, fostering equality and reducing discrimination so all Albertans have the opportunity to participate in the social, economic and cultural life of the province;
- Ensuring that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse;
- Preserving, protecting, presenting, researching and promoting appreciation for Alberta's historical resources and culture and providing opportunities for heritage tourism; and
- Maintaining Alberta's provincial parks and protected areas to preserve the province's natural heritage and providing opportunities for heritage appreciation, outdoor recreation and heritage tourism.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity

The reporting entity is the Department of Community Development, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. Other entities reporting to the Minister are:

- Alberta Foundation for the Arts
- The Alberta Historical Resources Foundation
- Alberta Sport, Recreation, Parks and Wildlife Foundation
- The Government House Foundation
- The Historic Resources Fund
- Human Rights, Citizenship and Multiculturalism Education Fund
- The Wild Rose Foundation
- Persons with Developmental Disabilities Provincial Board and Community Boards

The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for goods or services which have not been provided by year end is recorded as unearned revenue.

Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs which comprise the cost of employer contributions for current service of employees during the year; and
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Department operations are disclosed in Schedule 8.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Department of Community Development
Notes to the Financial Statements
Year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings, and works of art held by the Department are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Net Assets

Net assets represents the difference between the carrying value of assets held by the Department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Department of Community Development
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,310	$ (32)	$ 1,278	$ 682
Refunds from Suppliers	17	-	17	58
	$ 1,327	$ (32)	$ 1,295	$ 740

Accounts receivable are unsecured and non-interest bearing.

Note 4 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General Capital Assets					
Buildings	20-40 years	$ 107,511	$ (60,893)	$ 46,618	$ 48,808
Land		37,820	-	37,820	37,794
Computer Hardware and Software	5-8 years	1,433	(701)	732	354
Equipment	3-10 years	15,766	(13,867)	1,899	2,061
Other	20 years	16,953	(14,529)	2,424	3,192
Infrastructure Assets					
Land Improvements	40 years	138,259	(70,364)	67,895	71,650
Highways and Roads	40 years	47,428	(30,166)	17,262	18,522
Bridges	60 years	2,894	(719)	2,175	2,227
		$ 368,064	$ (191,239)	$ 176,825	$ 184,608

Note 5 Collections

Collections consist of historical and scientific artifacts, archival holdings, and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Department has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for $360 million. A description of the major collections is as follows:

(a) The Province, through the Historic Sites and Cultural Facilities Branch, preserves and presents 9 historic sites that contain 48 restored historic buildings/structures and 3 stabilized ruins. The Branch also operates 3 interpretive centers, 2 museums and 2 cultural facilities. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.

(b) The Provincial Museum of Alberta maintains 13 Curatorial programs, with total collection holdings comprising approximately 10 million objects. This includes more than 1,220,000 objects on-site; over 12,000 warehoused objects off site and another estimated 8,660,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic, and textile collections; and the permitted archaeological materials recovered in Alberta, all with associated images, audio and books.

(c) The Royal Tyrrell Museum of Palaeontology collection has over 109,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.

(d) Reynolds-Alberta Museum exhibits approximately 150 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,100 major and 3,400 smaller artifacts. Included in these numbers are 80 vintage aircraft, 8 of which are on permanent loan to the museum. The museum also houses a collection of documents, numbering over 50,000 pieces, related to the museum's mechanization themes.

(e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 265 carriages, buggies, wagons and sleighs, and approximately 690 associated small artifacts.

(f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites and Cultural Facilities' collection of approximately 47,500 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.

Note 5 Collections (continued)

(g) The Provincial Archives of Alberta holds approximately 36,500 linear metres of government textual records; 4,590 linear metres of private textual records; 61,800 maps; 27,600 architectural drawings; 2,090,000 photographic images; 46,800 hours of sound recordings; 66,000 hours of film and video materials; and 12,300 volumes of library holdings.

(h) The Collection Management Unit of the Arts Branch, manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.

(i) The Glenbow-Alberta Institute, under contract to the Cultural Facilities and Historical Resources Division, manages the care of, and access to, a publicly owned collection of approximately 226,000 artifacts in cultural history, military history, ethnology, art and mineralogy; approximately 5 shelf kilometres of textual and archival records; over 2,100,000 historical photographs; about 350 hours of film footage; and 7,200 sound recordings. The collection is continually enhanced each year.

Note 6 Commitments (thousands of dollars)

As at March 31, 2004, the Department has the following commitments:

	2004	2003
Grant Agreements	$ 4,244	$ 4,728
Long-term Leases[a]	1,285	970
	$ 5,529	$ 5,698

[a] The Department leases vehicles under operating leases that expire on various dates to 2008. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	2004
2004-2005	$ 643
2005-2006	375
2006-2007	204
2007-2008	63
	$ 1,285

Department of Community Development
Notes to the Financial Statements
Year ended March 31, 2004

Note 7 Contingencies (thousands of dollars)

The Department of Community Development has a contingent liability in respect of fifteen claims (2003 – fourteen claims) aggregating $1.7 million (2003 – $2.7 million) relating to the decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. The ultimate outcome of these claims cannot be determined.

At March 31, 2004, the Department is a defendant in ten other legal claims (2003 – nine legal claims). Nine of these claims have specified amounts totalling $1,501 and the remaining one has no specified amount (2003 – eight claims with a specified amount of $1,406 and one with no specified amount). Included in the total legal claims are three claims amounting to $250 (2003 – one claim with no specified amount) in which the Department has been jointly named with other entities. Seven claims amounting to $1,221 (2003 – four claims amounting to $926) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation, which may be the responsibility of the Department. The potential costs relate to restoring buildings and other sites to acceptable contractual standards. The preliminary estimate of the amount of such potential contingent liabilities is $2,456. Costs for site remediation and reclamation are recognized in the financial statements when work is undertaken.

Note 8 Trust Funds Under Administration (thousands of dollars)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Department's financial statements.

As at March 31, 2004, trust funds under administration were as follows:

	2004	2003
Parks General Trust and Performance Deposits	$ 329	$ 308
Gakken Dinosaur Exhibit Trust Fund	159	154
Fort Dunvegan Historical Society Trust Fund	6	6
	$ 494	$ 468

In addition to the above trust funds under administration, the Department holds bank guarantees in the form of letters of credit in the amount of $1,499 (2003 restated – $1,602).

Department of Community Development
Notes to the Financial Statements
Year ended March 31, 2004

Note 9 Defined Benefit Plans (thousands of dollars)

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $2,989 for the year ended March 31, 2004 (2003 – $2,317).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of $290,014 (2002 – $301,968) and the Public Service Pension Plan reported an actuarial deficiency of $596.213 (2002 – $175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $9,312 (2002– $6,472).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of $9,766 (2003 – $14,434) and the Management, Opted Out and Excluded Plan reported an actuarial surplus of $1,298 (2003 – actuarial deficiency of $3,053). The expense for these two plans is limited to employer's annual contributions for the year.

Note 10 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Schedule 1

Department of Community Development
Revenues
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Lottery Fund	$ 76,105	$ 72,105	$ 56,256
Transfer from Alberta Heritage Scholarship Fund	10	10	10
	76,115	72,115	56,266
Transfer from the Government of Canada			
Canada Health and Social Transfer	14,642	16,054	14,896
Other	1,105	1,190	433
	15,747	17,244	15,329
Premiums, Fees and Licences			
Land and Grazing	415	515	472
Film Classification	500	506	493
Other	3,600	2,469	2,220
	4,515	3,490	3,185
Other Revenue			
Contribution in Kind	1,000	1,362	1,080
Refunds of Expenses	50	140	238
Other	335	995	808
	1,385	2,497	2,126
	$ 97,762	$ 95,346	$ 76,906

Schedule 2

Department of Community Development
Dedicated Revenue Initiatives
Year ended March 31, 2004
(thousands of dollars)

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues[a]	(Shortfall) / Excess[f]
Park Operations[b]	$ 4,350	$ 3,913	$ (437)
Cultural Facilities and Historical Resources[c]	1,000	1,362	362
Heritage Resources Management[d]	755	735	(20)
Francophone Secretariat[e]	350	365	15
	$ 6,455	$ 6,375	$ (80)

[a] Revenues from dedicated revenue initiatives are included in the Department's revenues in the Statement of Operations.

[b] The Parks and Protected Areas division collects various fees and other revenues that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

[c] Cultural facilities and historical resources dedicated revenue is related to donations of artifacts and other items to various historic sites and cultural facilities.

[d] The Government of Canada has provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.

[e] Francophone Secretariat dedicated revenue is a Canada-Alberta Cooperation Agreement to promote the official languages.

[f] Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Department of Community Development
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Voted			
Salaries, Wages and Employee Benefits	$ 53,835	$ 52,602	$ 48,642
Supplies and Services	31,731	32,302	25,978
Supplies and Services from Support Services Arrangements with Related Parties[a]	-	-	829
Grants	542,636	533,994	481,306
Financial Transactions and Other	96	142	131
Amortization of Tangible Capital Assets	9,370	8,976	9,530
Total Voted Expenses before Recoveries	637,668	628,016	566,416
Less: Recovery from Support Service Arrangements with Related Parties[b]	(4,221)	(3,963)	(3,479)
	$ 633,447	$ 624,053	$ 562,937
Statutory			
Grants	$ 10	$ 10	$ 10
Valuation Adjustments			
Provision for Doubtful Accounts	-	16	15
Provision for Vacation Pay	217	362	402
	$ 227	$ 388	$ 427

(a) The Department received information technology services from the Department of Seniors in the prior year.

(b) The Department provided financial and administrative services to the funds and agencies of the Ministry of Community Development. Costs incurred by the Department for these services were recovered from the funds and agencies of the Ministry of Community Development.

Schedule 4

Department of Community Development
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004				
	Estimates	Adjustment(a)	Budget	Authorized Supplementary(b)	Authorized Budget
Revenues					
Internal Government Transfers	$ 76,115	$ -	$ 76,115	$ -	$ 76,115
Transfers from the Government of Canada	15,747	-	15,747	-	15,747
Premiums, Fees and Licences	4,515	-	4,515	-	4,515
Other Revenue	1,385	-	1,385	-	1,385
	97,762	-	97,762	-	97,762
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	11,613	-	11,613	-	11,613
Community Services	93,602	-	93,602	(2,342)	91,260
Human Rights and Citizenship	4,591	-	4,591	-	4,591
Community Support Systems	449,389	-	449,389	-	449,389
Cultural Facilities and Historical Resources	28,227	-	28,227	900	29,127
Parks and Protected Areas	46,025	-	46,025	2,442	48,467
Dedicated Revenue Shortfall	-	(80)	(80)	-	(80)
	633,447	(80)	633,367	1,000	634,367
Statutory Expenses					
Queen's Golden Jubilee Scholarships	10	-	10	-	10
Valuation adjustments					
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	217	-	217	-	217
	227	-	227	-	227
	633,674	(80)	633,594	1,000	634,594
Gain on Disposal of Tangible Capital Assets	(1,179)	-	(1,179)	-	(1,179)
Net Operating Results	$ (534,733)	$ 80	$ (534,653)	$ (1,000)	$ (535,653)
Equipment/Inventory Purchases	$ 50	$ -	$ 50	$ -	$ 50
Capital Investment	$ 1,262	$ -	$ 1,262	$ -	$ 1,262

(a) Adjustments include dedicated revenue shortfalls.

(b) Supplementary estimates of $1,000 were approved on December 4, 2003.

Schedule 5

Department of Community Development
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment and Statutory Expenses by Element to Authorized Budget
Year ended March 31, 2004
(thousands of dollars)

		2003-2004 Estimates	Adjustments[a]	2003-2004 Budget	2003-2004 Authorized Supplementary[b]	2003-2004 Authorized Budget	2003-2004 Actual[c]	Unexpended (Over Expended)
Voted Operating Expense and Equipment/Inventory Purchases and Capital Investment								
1	Ministry Support Services							
1.0.1	Minister's Office	$ 397	$ -	$ 397	$ -	$ 397	$ 383	$ 14
1.0.2	Deputy Minister's Office	277	-	277	-	277	255	22
1.0.3	Strategic Corporate Services							
	- Operating Expense	4,958	-	4,958	-	4,958	4,189	769
	- Equipment/Inventory Purchases	50	-	50	-	50	133	(83)
1.0.4	Corporate Costs	5,586	-	5,586	-	5,586	5,029	557
1.0.5	Communications	395	-	395	-	395	383	12
		11,663	-	11,663	-	11,663	10,372	1,291
2	Community Services							
2.1	Management and Operations							
2.1.1	Program Support	833	-	833	-	833	751	82
2.1.2	Arts Development							
	- Operating Expense funded by Lotteries	1,464	-	1,464	-	1,464	1,488	(24)
2.1.3	Volunteer Services							
	- Operating Expense funded by Lotteries	3,502	-	3,502	-	3,502	3,381	121
2.1.4	Sport and Recreation							
	- Operating Expense funded by Lotteries	1,158	-	1,158	-	1,158	1,158	-
2.1.5	Library Services							
	- Operating Expense	480	-	480	-	480	559	(79)
	- Equipment/Inventory Purchases	-	-	-	-	-	7	(7)
2.1.6	Francophone Secretariat	661	-	661	-	661	623	38
		8,098	-	8,098	-	8,098	7,967	131
2.2	Financial Assistance							
2.2.1	Community Services Grants							
	- Operating Expense	50	-	50	-	50	235	(185)
	- Operating Expense funded by Lotteries	1,400	-	1,400	-	1,400	-	1,400
2.2.2	Library Operating Grants	17,934	-	17,934	1,658	19,592	19,500	92

Schedule 5

Department of Community Development
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment and Statutory Expenses by Element to Authorized Budget
Year ended March 31, 2004
(thousands of dollars)

		2003-2004 Estimates	Adjustments(a)	2003-2004 Budget	2003-2004 Authorized Supplementary(b)	2003-2004 Authorized Budget	2003-2004 Actual(c)	Unexpended (Over Expended)
2.2.3	Hosting Major Athletic Events							
	- Operating Expense funded by Lotteries	1,900	-	1,900	-	1,900	1,900	-
2.2.4	Alberta NHL Teams Initiative	5,750	-	5,750	-	5,750	5,391	359
2.2.5	Assistance to the Alberta Foundation for the Arts							
	- Operating Expense funded by Lotteries	29,034	-	29,034	-	29,034	29,034	-
2.2.6	Assistance to the Alberta Sport, Recreation, Parks, and Wildlife Foundation							
	- Operating Expense funded by Lotteries	17,670	-	17,670	-	17,670	17,670	-
2.2.7	Assistance to the Wild Rose Foundation							
	- Operating Expense funded by Lotteries	7,766	-	7,766	-	7,766	7,766	-
2.2.8	Assistance to the First Nations Development Fund							
	- Operating Expense funded by Lotteries	4,000	-	4,000	(4,000)	-	-	-
		85,504	-	85,504	(2,342)	83,162	81,496	1,666
		93,602	-	93,602	(2,342)	91,260	89,463	1,797
3	Human Rights and Citizenship							
3.0.1	Human Rights and Citizenship	3,326	-	3,326	-	3,326	3,420	(94)
3.0.2	Assistance to the Human Rights, Citizenship and Multiculturalism Education Fund							
	- Operating Expense funded by Lotteries	1,265	-	1,265	-	1,265	1,265	-
		4,591	-	4,591	-	4,591	4,685	(94)
4	Community Support Systems							
4.0.1	Program Support	252	-	252	-	252	264	(12)
4.0.2	Community Support Systems	1,807	-	1,807	-	1,807	1,460	347
4.0.3	Premier's Council on the Status of Persons with Disabilities	753	-	753	-	753	448	305
4.0.4	Protection for Persons in Care	1,074	-	1,074	-	1,074	1,232	(158)
4.0.5	Brain Injury Initiative	4,466	-	4,466	-	4,466	3,889	577
4.0.6	Assistance to Persons with Developmental Disabilities Provincial Board	441,037	-	441,037	-	441,037	440,696	341
		449,389	-	449,389	-	449,389	447,989	1,400

Schedule 5

Department of Community Development
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment and Statutory Expenses by Element to Authorized Budget
Year ended March 31, 2004
(thousands of dollars)

		2003-2004 Estimates	Adjustments[a]	2003-2004 Budget	2003-2004 Authorized Supplementary[b]	2003-2004 Authorized Budget	2003-2004 Actual[c]	Unexpended (Over Expended)
5	Cultural Facilities and Historical Resources							
5.1	Management and Operations							
5.1.1	Program Support	989	-	989	-	989	842	147
5.1.2	Provincial Museum	4,216	-	4,216	-	4,216	4,168	48
5.1.3	Royal Tyrrell Museum of Paleontology							
	- Operating Expense	1,892	-	1,892	-	1,892	1,955	(63)
	- Equipment/Inventory Purchases	-	-	-	-	-	71	(71)
5.1.4	Historic Sites and Cultural Facilities							
	- Operating Expense	8,575	-	8,575	-	8,575	9,553	(978)
	- Equipment/Inventory Purchases	-	-	-	-	-	25	(25)
5.1.5	Provincial Archives of Alberta							
	- Operating Expense	1,776	-	1,776	-	1,776	1,480	296
	- Equipment/Inventory Purchases	-	-	-	-	-	38	(38)
5.1.6	Heritage Resource Management							
	- Operating Expense	3,501	-	3,501	-	3,501	3,313	188
	- Equipment/Inventory Purchases	-	-	-	-	-	120	(120)
5.1.7	Centennial Operations	332	-	332	-	332	557	(225)
		21,281	-	21,281	-	21,281	22,122	(841)
5.2	Financial Assistance							
5.2.1	Cultural Facilities and Historical Resources Grants							
	- Operating Expense	-	-	-	900	900	1,405	(505)
	- Operating Expense funded by Lotteries	-	-	-	-	-	1,140	(1,140)
5.2.2	Assistance to the Alberta Historical Resources Foundation							
	- Operating Expense funded by Lotteries	6,946	-	6,946	-	6,946	6,946	-
		6,946	-	6,946	900	7,846	9,491	(1,645)
		28,227	-	28,227	900	29,127	31,613	(2,486)

Schedule 5

Department of Community Development
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment and Statutory Expenses by Element to Authorized Budget
Year ended March 31, 2004
(thousands of dollars)

		2003-2004 Estimates	Adjustments[a]	2003-2004 Budget	2003-2004 Authorized Supplementary[b]	2003-2004 Authorized Budget	2003-2004 Actual[c]	Unexpended (Over Expended)
6	Parks and Protected Areas							
6.0.1	Program Support	215	-	215	-	215	243	(28)
6.0.2	Parks Policy and Planning	3,438	-	3,438	-	3,438	3,410	28
6.0.3	Parks Operations							
	- Operating Expense	25,711	-	25,711	2,442	28,153	27,885	268
	- Equipment/Inventory Purchases	-	-	-	-	-	50	(50)
	- Capital Investment	1,262	-	1,262	-	1,262	1,252	10
6.0.4	Nominal Sum Disposals	7,534	-	7,534	-	7,534	-	7,534
6.0.5	Amortization of Tangible Capital Assets	9,127	-	9,127	-	9,127	8,787	340
		47,287	-	47,287	2,442	49,729	41,627	8,102
Dedicated Revenue Shortfall (Schedule 2)		-	(80)	(80)	-	(80)	-	(80)
Total Voted Expenses		$ 634,759	$ (80)	$ 634,679	$ 1,000	$ 635,679	$ 625,749	$ 9,930
Operating Expense		$ 557,342	$ (80)	$ 557,262	$ 5,000	$ 562,262	$ 552,305	$ 9,957
Operating Expense funded by Lotteries		76,105	-	76,105	(4,000)	72,105	71,748	357
Equipment/Inventory Purchases		50	-	50	-	50	444	(394)
		$ 633,497	$ (80)	$ 633,417	$ 1,000	$ 634,417	$ 624,497	$ 9,920
Capital Investment		1,262	-	1,262	-	1,262	1,252	10
Total Voted Expenses		$ 634,759	$ (80)	$ 634,679	$ 1,000	$ 635,679	$ 625,749	$ 9,930
Statutory Expenses								
Queen's Golden Jubilee Scholarships		$ 10	$ -	$ 10	$ -	$ 10	$ 10	$ -
Valuation Adjustments		217	-	217	-	217	378	(161)
		$ 227	$ -	$ 227	$ -	$ 227	$ 388	$ (161)

[a] Adjustments include dedicated revenue shortfalls.
[b] Supplementary estimates were approved on December 4, 2003.
[c] Includes achievement bonus amounting to $679.

Schedule 6

Department of Community Development
Salary and Benefits Disclosure
Year ended March 31, 2004

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Senior Officials					
Deputy Minister [d]	$ 152,808	$ 29,836	$ 36,155	$ 218,799	$ 225,554
Chief Commissioner, Alberta Human Rights and Citizenship Commission	112,296	16,446	25,743	154,485	147,137
Executives					
Assistant Deputy Minister, Community and Citizenship Services[e]	123,132	18,032	27,612	168,776	179,520
Assistant Deputy Minister, Cultural Facilities and Historical Resources	114,108	16,710	25,919	156,737	144,866
Assistant Deputy Minister, Parks and Protected Areas	118,716	17,384	32,137	168,237	162,665
Assistant Deputy Minister, Community Support Systems	133,728	19,584	31,054	184,366	186,774
Assistant Deputy Minister, Strategic Corporate Services	128,352	18,796	28,584	175,732	177,216

Prepared in accordance with Treasury Board Directive 03/2004.

Total salary and benefits relating to a position are disclosed.

[a] Base salary includes pensionable base pay.

[b] Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

[c] Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

[d] Automobile provided, no dollar amount included in other non-cash benefits.

[e] Other cash benefits include vacation payments for the Assistant Deputy Minister, Community and Citizenship Services $Nil (2003 - $9,116).

Department of Community Development
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Grants	$ -	$ -	$ 72,115	$ 56,266
Expenses – Directly Incurred				
Grants	$ 503,377	$ 454,191	$ -	$ -
Other services	-	-	4,833	4,493
	$ 503,377	$ 454,191	$ 4,833	$ 4,493
Tangible Capital Assets Transferred from (to) Others	$ -	$ -	$ 120	$ 552
Accounts Payable	$ -	$ 355	$ -	$ -
Accounts Receivable	$ 339	$ 118	$ -	$ 7

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Recoveries				
Services Provided	$ 1,578	$ 1,421	$ -	$ -
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 20,242	$ 20,089
Legal Services	-	-	271	298
Parks Maintenance	-	-	1,587	1,500
	$ -	$ -	$ 22,100	$ 21,887

Schedule 8

Department of Community Development
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004								2003
		Expenses – Incurred by Others				Valuation Adjustments [f]			
Program	Expenses [a]	Services Provided [b]	Accommodation Costs [c]	Legal Services [d]	Parks Maintenance [e]	Provision for Vacation Pay	Provision for Doubtful Accounts	Total Expenses	Total Expenses
Ministry Support Services	$ 10,239	$ -	$ 301	$ 45	$ -	$ 22	$ -	$ 10,607	$ 9,361
Community Services	89,456	(834)	842	62	-	58	-	89,584	74,253
Human Rights and Citizenship	4,685	(152)	112	-	-	18	-	4,663	4,384
Community Support Systems	447,989	-	214	4	-	10	-	448,217	408,658
Cultural Facilities and Historical Resources	31,359	(592)	17,401	73	-	107	-	48,348	46,338
Parks and Protected Areas	40,325	-	1,372	87	1,587	147	16	43,534	40,826
Queen's Golden Jubilee Scholarships	10	-	-	-	-	-	-	10	10
	$ 624,063	$ (1,578)	$ 20,242	$ 271	$ 1,587	$ 362	$ 16	$ 644,963	$ 583,830

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Financial and administrative services are provided to the funds and agencies of the Ministry of Community Development.

[c] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 7, allocated by square footage.

[d] Costs shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

[e] The Department of Transportation provides road and bridge maintenance to Parks and Protected Areas.

[f] Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts provision included in Valuation Adjustments were allocated as follows:
- Vacation Pay – allocated to the program by employee,
- Doubtful Accounts Provision – estimated allocation to program.

Alberta Foundation for the Arts

Financial Statements

March 31, 2004

Alberta Foundation for the Arts
Financial Statements
March 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flow

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Budget

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Alberta Foundation for the Arts

I have audited the statement of financial position of the Alberta Foundation for the Arts as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Alberta Foundation for the Arts
Statement of Operations
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Community Development			
- Operating	$ 19,034,000	$ 19,034,000	$ 16,354,000
- Film Development Program	10,000,000	10,000,000	5,000,000
Investment Income	325,000	208,274	210,623
Other Revenue			
Miscellaneous	60,000	55,029	50,591
Donations of Artworks	100,000	118,422	112,975
	29,519,000	29,415,725	21,728,189
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 4)			
Arts Promotion	12,616,000	12,517,507	11,191,368
Arts Support	2,886,000	2,827,964	2,299,607
Artist Development	1,950,000	2,134,091	1,440,500
Arts Participation	1,484,000	1,387,339	1,298,756
Administration	342,000	306,795	328,878
Collection, Preservation and Display of Provincial Artworks	250,000	225,883	121,259
	19,528,000	19,399,579	16,680,368
Film Development	10,000,000	10,959,099	3,677,345
	29,528,000	30,358,678	20,357,713
Net Operating Results	$ (9,000)	(942,953)	1,370,476
Fund Balance, Beginning of Year		2,049,024	678,548
Fund Balance, End of Year		$ 1,106,071	$ 2,049,024

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash (Note 3)	$ 2,936,572	$ 2,868,996
Accrued Interest	15,207	15,207
Accounts Receivable (Note 4)	2,920	250,541
	2,954,699	3,134,744
Long Term Investments (Note 5)	466,746	466,746
Tangible Capital Assets (Note 6)	54,902	38,546
	$ 3,476,347	$ 3,640,036
Liabilities		
Accounts Payable and Accrued Liabilities	$ 1,903,530	$ 1,124,266
Equity		
Fund Balance	1,106,071	2,049,024
General Reserve (Note 8)	466,746	466,746
	1,572,817	2,515,770
	$ 3,476,347	$ 3,640,036

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ (942,953)	$ 1,370,476
Non-cash Items		
Amortization of Tangible Capital Assets	9,342	8,569
	(933,611)	1,379,045
Decrease (Increase) in Accounts Receivable	247,621	(229,638)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	779,264	(2,143,579)
Cash Provided by (Applied to) Operating Transactions	93,274	(994,172)
Capital Transactions		
Acquisition of Tangible Capital Assets	(25,698)	-
Cash Applied to Capital Transactions	(25,698)	-
Increase (Decrease) in Cash	67,576	(994,172)
Cash, Beginning of Year	2,868,996	3,863,168
Cash, End of Year	$ 2,936,572	$ 2,868,996

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (Foundation) operates under the authority of the *Alberta Foundation for the Arts Act*, Chapter A-19, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To support and contribute to the development of literary, performing, visual and media arts in Alberta;
- To provide both individuals and organizations with opportunities to participate in the arts in Alberta;
- To promote the enjoyment of works of art by Alberta artists;
- To oversee the collection, preservation and display of works of art by Alberta artists; and
- To encourage artists living in Alberta in their work.

The Foundation is a crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Alberta Foundation for the Arts, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services directly in return.

Unrestricted donations are recognized as revenue when they are received.

Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation, when fair value can reasonably be determined.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation are disclosed in Schedule 4.

Artworks

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

Basis of Financial Reporting (continued)

Assets

Financial assets of the Foundation are limited to financial claims, such as receivables from other organizations.

Capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing capital assets is $5,000.

Investments

Investments are recorded at cost. Where there has been a loss in value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

Liabilities

Liabilities represent all financial claims payable by the Foundation at fiscal year-end.

Fair Value

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accrued interest, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values.

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates.

	2004	2003
Cash	$ 3,103,318	$ 3,035,742
Less Cash Appropriated for Non-Current Use	(166,746)	(166,746)
	$ 2,936,572	$ 2,868,996

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 2,920	$ -	$ 2,920	$ 250,541

Accounts receivable are unsecured and non-interest bearing.

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2004

Note 5 Long Term Investments

	2004			2003	
	Effective Annual Interest Rate	Cost	Market	Cost	Market
Deposits with Life Insurance Companies, Maturing in 2008[a]	5.125%	$ 300,000	$ 300,000	$ 300,000	$ 300,000
Cash Appropriated for Non-current Use		166,746		166,746	
		$ 466,746		$ 466,746	

[a] The deposits with life insurance companies can be realized prior to maturity dates only with the payment of penalties.

Note 6 Tangible Capital Assets

	2004				2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer Equipment and Software	4 years	$ 33,103	$ (28,103)	$ 5,000	$ 10,000
Equipment	10 years	61,381	(11,479)	49,902	28,546
Office Furnishings	7 years	5,533	(5,533)	-	-
		$ 100,017	$ (45,115)	$ 54,902	$ 38,546

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2004

Note 7 Artworks

The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At year end, the collection consisted of approximately 7,148 (2003 – 6,939) artworks with an approximate value of $7,844,000 (2003 – $7,439,000). During the year, the Foundation purchased 108 (2003 – 110) artworks by Alberta artists at a total cost of $289,555 (2003 – $249,955); contributions to the collection included 114 (2003 – 47) artworks with an appraised value of $117,188 (2003 – $112,975). There were 13 artwork disposals during the year $2,237 (2003 – $1,307).

Note 8 General Reserve

The general reserve has been established by appropriation from the fund balance. The reserve was established for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

Note 9 Commitments

At March 31, 2004, the Foundation has the following commitments relating to program contracts and grants approved but not expended, pending fulfillment of eligibility conditions.

	2004	2003
2003-2004	$ -	$ 16,956,908
2004-2005	17,366,338	2,353,246
2005-2006	282,000	-
2006-2007	282,000	-
	$ 17,930,338	$ 19,310,154

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2004

Note 10 Honoraria

	2004			2003
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 6,103	$ -	$ 6,103	$ 8,933
Other Members	39,196	-	39,196	33,100
	$ 45,299	$ -	$ 45,299	$ 42,033

[a] The Foundation has no employees. Staff of the Department of Community Development administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 12/98, is included in the financial statements of the Department of Community Development.

[b] No benefits were provided to Board members.

[c] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Schedule 1

Alberta Foundation for the Arts
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Grants	$ 27,643,000	$ 28,306,680	$ 18,747,717
Supplies and Services	734,000	968,064	639,465
Supplies and Services from Support Service Arrangements with Related Parties[a]	622,000	622,000	557,000
Acquisition of Artworks	350,000	289,555	249,955
Donations of Artworks	100,000	117,188	112,975
Honoraria (Note 10)	70,000	45,299	42,033
Amortization of Tangible Capital Assets	9,000	9,342	8,568
Other	-	550	-
	$ 29,528,000	$ 30,358,678	$ 20,357,713

[a] The Foundation receives financial and administrative services from the Department of Community Development.

Alberta Foundation for the Arts
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval[a]	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers			
Transfers from the Department of Community Development	$ 29,034,000	$ -	$ 29,034,000
Investment Income	325,000	-	325,000
Other Revenue			
Miscellaneous	60,000	-	60,000
Donations of Artworks	100,000	-	100,000
	29,519,000	-	29,519,000
Expenses – Directly Incurred			
Arts Promotion	12,616,000	-	12,616,000
Arts Support	2,886,000	-	2,886,000
Artist Development	1,950,000	-	1,950,000
Arts Participation	1,484,000	-	1,484,000
Administration	342,000	-	342,000
Collection, Preservation and Display of Provincial Artworks	250,000	-	250,000
	19,528,000	-	19,528,000
Film Development	10,000,000	1,000,000	11,000,000
	29,528,000	1,000,000	30,528,000
Net Operating Results	$ (9,000)	$ (1,000,000)	$ (1,009,000)
Capital Investment	$ -	$ -	$ -

[a] On November 14, 2003 the Foundation received Treasury Board approval, to access it's fund balance, on a one-time basis, for the Alberta Film Development Program.

Alberta Foundation for the Arts
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Transfers from the Department of Community Development				
-Operating	$ 19,034,000	$ 16,354,000	$ -	$ -
-Film Development	10,000,000	5,000,000	-	-
	$ 29,034,000	$ 21,354,000	$ -	$ -
Expenses – Directly Incurred				
Grants	$ 106,145	$ 125,000	$ -	$ -
Other Services	-	-	52,029	42,521
	$ 106,145	$ 125,000	$ 52,029	$ 42,521
Accounts Receivable	$ -	$ 250,000	$ -	$ -
Accounts Payable	$ 127,522	$ 13,066	$ 6,150	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 172,234	$ 185,794
Legal Services	-	-	7,017	83
Other Services	525,611	512,860	-	-
	$ 525,611	$ 512,860	$ 179,251	$ 185,877

Schedule 4

Alberta Foundation for the Arts
Allocated Costs
Year ended March 31, 2004

	2004					2003
		Expenses – Incurred by Others				
Program	Expenses [a]	Accommodation Costs[b]	Legal Services[c]	Other Services[d]	Total Expenses	Total Expenses
Arts Promotion	$ 12,517,507	$ 7,385	$ -	$ 167,167	$ 12,692,059	$ 11,365,160
Arts Support	2,827,964	3,914	-	81,721	2,913,599	2,384,517
Artist Development	2,134,091	5,431	-	125,607	2,265,129	1,568,170
Arts Participation	1,387,339	4,954	-	107,564	1,499,857	1,410,487
Administration	306,795	947	-	15,687	323,429	345,328
Collection, Preservation and Display of Provincial Artworks	225,883	148,730	-	14,287	388,900	291,219
Film Development	10,959,099	873	7,017	13,578	10,980,567	3,691,569
	$ 30,358,678	$ 172,234	$ 7,017	$ 525,611	$ 31,063,539	$ 21,056,450

[a] Expenses – Directly Incurred as per Statement of Operations

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.

[d] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

The Alberta Historical Resources Foundation

Financial Statements

March 31, 2004

The Alberta Historical Resources Foundation
Financial Statements
March 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flow

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Budget

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Directors of the Alberta Historical Resources Foundation

I have audited the statement of financial position of the Alberta Historical Resources Foundation as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

The Alberta Historical Resources Foundation
Statement of Operations
Year ended March 31, 2004

	2004				2003
		Actual			Actual
	Budget (Schedule 2)	Operating Fund	Restricted Fund	Total	Total
Revenues					
Internal Government Transfers					
Transfer from Department of Community Development	$ 6,946,000	$ 6,946,000	$ -	$ 6,946,000	$ 5,913,000
Investment Income	210,000	145,175	626	145,801	137,210
Other Revenue	6,000	9,090	-	9,090	7,769
	7,162,000	7,100,265	626	7,100,891	6,057,979
Expenses – Directly Incurred					
Support to Provincial Heritage Organizations					
Alberta Museums Association	1,400,000	1,400,000	-	1,400,000	1,200,000
Archives Society of Alberta	160,000	160,000	-	160,000	100,000
Other	136,000	136,450	-	136,450	78,450
	1,696,000	1,696,450	-	1,696,450	1,378,450
Glenbow Museum	2,688,000	2,688,000	-	2,688,000	2,563,000
Heritage Preservation Projects	1,456,000	965,054	-	965,054	940,085
Main Street Program	725,000	1,161,503	-	1,161,503	726,794
Heritage Awareness Projects	448,000	322,506	-	322,506	308,396
Roger Soderstrom Fellowship Projects	5,000	-	4,311	4,311	-
Administration	144,000	202,450	-	202,450	131,999
	7,162,000	7,035,963	4,311	7,040,274	6,048,724
Net Operating Results	$ -	64,302	(3,685)	60,617	9,255
Fund Balances at Beginning of Year		3,101,699	24,490	3,126,189	3,116,934
Fund Balances at End of Year		$ 3,166,001	$ 20,805	$ 3,186,806	$ 3,126,189

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash (Note 3)	$ 3,691,874	$ 3,238,059
Inventory	5,293	5,368
Accounts Receivable	309	276
	3,697,476	3,243,703
Cash Appropriated for Non-current Uses (Notes 3 and 7)	50,000	50,000
	$ 3,747,476	$ 3,293,703
Liabilities		
Accounts Payable and Accrued Liabilities	$ 510,670	$ 117,514
Fund Balances		
Unrestricted Operating Fund	3,166,001	3,101,699
Restricted Funds (Note 6)	20,805	24,490
	3,186,806	3,126,189
Reserve (Note 7)	50,000	50,000
	3,236,806	3,176,189
	$ 3,747,476	$ 3,293,703

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ 60,617	$ 9,255
Decrease in Inventory	75	213
Decrease (Increase) in Accounts Receivable	(33)	5,349
Increase in Accounts Payable and Accrued Liabilities	393,156	96,038
Cash Provided by Operating Transactions	453,815	110,855
Cash, Beginning of Year	3,238,059	3,127,204
Cash, End of Year	$ 3,691,874	$ 3,238,059

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Alberta Historical Resources Foundation (Foundation) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to assist in the preservation and interpretation of Alberta's heritage primarily through the encouragement and sponsorship of community heritage initiatives.

The Foundation is a crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Alberta Historical Resources Foundation, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for the revenues and expenses associated with the primary activities of the Foundation.
- Restricted funds account for contributions received with imposed conditions on how the funds are to be used, interest earned and the expenses associated with the specified activities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenue

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are disclosed in Schedule 4.

Assets

Financial assets of the Foundation are limited to financial claims, such as receivables from other organizations as well as inventories held for resale.

Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing capital assets is $5,000.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Collections of historical assets held by the Foundation are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities represent all financial claims payable by the Foundation at fiscal year end.

Fair Value

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Foundation's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates.

Cash in the amount of $20,805 has ben restricted for the Roger Soderstrom Fellowship fund and is therefore not available to pay for operating expenses of the Foundation. (Note 6)

Due to the short-term nature of these deposits, the carrying value approximates fair value.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 4 Tangible Capital Assets

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	7 years	$ 3,331	$ (3,331)	$ -	$ -

Note 5 Collections

The Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 401 (2003 – 410) artworks with an estimated value of $16,950 (2003 – $17,290), and 30 (2003 – 30) antique furnishings estimated at $12,700 (2003 – $12,700). During the year, the Foundation did not acquire any historical assets (2003 – Nil) and there were 9 (2003 – 6) dispositions.

Note 6 Restricted Funds

	2004	2003
Roger Soderstrom Fellowship Fund(a)	$ 20,805	$ 24,490

(a) The Roger Soderstrom Fellowship fund is a scholarship designed to encourage professional development and advanced studies in the field of heritage conservation in Alberta.

Note 7 Reserve

The reserve has been established from the operating fund for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 8 Honoraria

	2004			2003
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 3,886	$ -	$ 3,886	$ 3,821
Other Members (10)	19,016	-	19,016	12,724
	$ 22,902	$ -	$ 22,902	$ 16,545

[a] The Foundation has no employees. Staff of the Department of Community Development administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 12/98, is included in the financial statements of the Department of Community Development.

[b] No benefits were provided to Board members.

[c] Members appointed to the Foundation are paid for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, out-of-town meetings and for attending to other Foundation duties.

Note 9 Commitments

At the year-end, the Foundation has the following commitments:

	2004	2003
Heritage Preservation[(a)]	$ 1,469,009	$ 1,101,847
Heritage Awareness[(a)]	665,689	593,763
Main Street Program[(b)]		
2003-2004	-	370,000
2004-2005	-	175,000
Glenbow Museum		
2003-2004	-	2,688,000
2004-2005	2,738,000	2,738,000
Service Contract	10,000	-
Vehicle Leases[(c)]	12,109	21,473
	$4,894,807	$7,688,083

[(a)] These commitments are for grants approved as at March 31, 2004, but not disbursed because certain conditions were still to be met by applicants. Under this program, grant payments to successful applicants are provided only after completion or partial completion of the project, submission of invoices or receipts, and approval of eligible expenditures.

[(b)] These are contractual commitments to pay organizations in the periods indicated, subject to satisfactory progress of the projects.

[(c)] The Foundation leases vehicles under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2004-2005	$ 9,082
2005-2006	3,027
	$ 12,109

Note 10 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Schedule 1

The Alberta Historical Resources Foundation
Expenses Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Grants	$ 4,090,000	$ 3,711,284	$ 3,058,327
Supplies and Services	2,853,500	2,939,088	2,792,852
Supplies and Services from Support Services Arrangements with Related Parties[a]	197,000	367,000	181,000
Honoraria (Note 8)	21,500	22,902	16,545
	$ 7,162,000	$ 7,040,274	$ 6,048,724

[a] The Foundation receives financial and program related administrative services from the Department of Community Development.

Schedule 2

The Alberta Historical Resources Foundation
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers			
Transfer from the Department of Community Development	$ 6,946,000	$ -	$ 6,946,000
Investment Income	210,000	-	210,000
Other Revenue	6,000	-	6,000
	7,162,000	-	7,162,000
Expenses			
Support to Provincial Heritage Organizations	1,696,000	-	1,696,000
Glenbow Museum	2,688,000	-	2,688,000
Heritage Preservation Projects	1,456,000	-	1,456,000
Main Street Program	725,000	-	725,000
Heritage Awareness Projects	448,000	-	448,000
Roger Soderstrom Fellowship Projects	5,000	-	5,000
Administration	144,000	-	144,000
	7,162,000	-	7,162,000
Net Operating Results	$ -	$ -	$ -
Capital Investment	$ -	$ -	$ -

Schedule 3

The Alberta Historical Resources Foundation
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenue				
Transfer from Department of Community Development	$ 6,946,000	$ 5,913,000	$ -	$ -
Expenses – Directly Incurred				
Grants	$ 25,000	$ 25,000	$ -	$ -
Other services	-	-	14,673	10,238
	$ 25,000	$ 25,000	$ 14,673	$ 10,238
Accounts Payable	$ 9,709	$ 2,607	$ -	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 22,039	$ 14,605
Other Services	344,332	312,846	-	35
	$ 344,332	$ 312,846	$ 22,039	$ 14,640

Schedule 4

The Alberta Historical Resources Foundation
Allocated Costs
Year ended March 31, 2004

	2004				2003
		Expenses – Incurred by Others			
Program	Expenses[a]	Accommodation Costs[b]	Other Services[c]	Total Expenses	Total Expenses
Support to Provincial Heritage Organizations	$ 1,696,450	$ -	$ -	$ 1,696,450	$ 1,378,450
Glenbow Museum	2,688,000	-	-	2,688,000	2,563,000
Heritage Preservation Projects	965,054	-	-	965,054	940,085
Main Street Program	1,161,503	11,048	10,927	1,183,478	743,113
Heritage Awareness Projects	322,506	-	-	322,506	308,396
Roger Soderstrom Fellowship Projects	4,311	-	-	4,311	-
Administration	202,450	10,991	333,405	546,846	443,166
	$ 7,040,274	$ 22,039	$ 344,332	$ 7,406,645	$ 6,376,210

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Alberta Sport, Recreation, Parks and Wildlife Foundation

Financial Statements

March 31, 2004

Alberta Sport, Recreation, Parks and Wildlife Foundation
Financial Statements
March 31, 2004

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Schedule 4 – Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Alberta Sport, Recreation, Parks and Wildlife Foundation

I have audited the statement of financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Operations
For the year ended March 31, 2004

	2004					2003
	Budget (Schedule 2)	Operating Fund	Restricted Fund	Endowment Fund	Total Actual	Total Actual
Revenues						
Internal Government Transfers	$ 17,795,000	$ 17,776,145	$ -	$ -	$ 17,776,145	$ 15,210,000
Transfers from Government of Canada	-	200,000	-	-	200,000	-
Investment Income	295,000	123,104	64,125	-	187,229	182,114
Premiums, Fees and Licences	100,000	175,432	-	-	175,432	65,657
Other Revenue						
Donations	832,000	367,740	371,236	1,120	740,096	484,341
Percy Page Centre Sales (Note 10)	505,000	446,164	-	-	446,164	438,732
Refunds of Expenses	20,000	3,503	21,500	-	25,003	17,983
Parks and Wildlife Ventures Sales	-	-	1,494	-	1,494	3,872
Miscellaneous Revenue	70,000	53,197	-	-	53,197	55,002
	19,617,000	19,145,285	458,355	1,120	19,604,760	16,457,701
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 4)						
Provincial Programs	11,482,000	11,457,551	75,549	-	11,533,100	9,348,153
Alberta and Interprovincial Games	3,044,000	2,950,096	91,606	-	3,041,702	2,643,356
Municipal Recreation / Tourism Areas	1,528,000	1,489,600	-	-	1,489,600	1,498,400
Active Lifestyles	1,450,000	1,449,633	-	-	1,449,633	1,306,299
Provincial and Regional Development	700,000	660,000	40,000	-	700,000	514,443
Percy Page Centre (Note 10)	506,000	453,977	-	-	453,977	478,027
Parks and Wildlife Ventures	427,000	203,465	95,655	-	299,120	293,073
Other Initiatives	130,000	61,535	31,248	-	92,783	26,482
Administration	356,000	285,345	6,106	-	291,451	300,537
	19,623,000	19,011,202	340,164	-	19,351,366	16,408,770
Net Operating Results	$ (6,000)	134,083	118,191	1,120	253,394	48,931
Fund Balances at Beginning of Year		239,018	3,703,862	412,745	4,355,625	4,306,694
Interfund Transfer (Note 9)		(43,825)	43,825	-	-	-
Fund Balances at End of Year		$ 329,276	$ 3,865,878	$ 413,865	$4,609,019	$ 4,355,625

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash (Note 3)	$ 2,711,093	$ 2,692,500
Accounts Receivable (Note 4)	232,837	112,507
Prepaid Expenses and Inventory	55,460	46,836
	2,993,390	2,851,843
Tangible Capital Assets (Note 5)	2,327,917	2,155,698
	$ 5,327,307	$ 5,007,541
Liabilities		
Accounts Payable and Accrued Liabilities	$ 718,288	$ 644,837
Unearned Revenue	-	7,079
	718,288	651,916
Fund Balances		
Operating	329,276	239,018
Endowment (Note 7)	413,865	412,745
Restricted (Note 8)	3,865,878	3,703,862
	4,609,019	4,355,625
	$ 5,327,307	$ 5,007,541

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Cash Flow
For the year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ 253,394	$ 48,931
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	6,106	6,106
	259,500	55,037
Decrease (Increase) in Accounts Receivable	(120,330)	93,050
Increase in Prepaid Expenses and Inventory	(8,624)	(12,244)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	73,451	(222,530)
Increase (Decrease) in Unearned Revenue	(7,079)	7,079
Cash Provided by (Applied to) Operating Transactions	196,918	(79,608)
Capital Transactions		
Purchase of Tangible Capital Assets	(140,325)	-
Donation of Tangible Capital Assets	(38,000)	-
Cash Applied to Capital Transactions	(178,325)	-
Increase (Decrease) in Cash	18,593	(79,608)
Cash, Beginning of Year	2,692,500	2,772,108
Cash, End of Year	$ 2,711,093	$ 2,692,500

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
For the year ended March 31, 2004

Note 1 Authority and Purpose

The Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation) operates under the authority of the *Alberta Sport, Recreation, Parks and Wildlife Foundation Act*, Chapter A-34, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to support enhancement of sport, recreation, parks and wildlife programs for all Albertans.

The Foundation is a Crown corporation of the Government of Alberta and as such has a tax-exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for revenues and expenses associated with the primary activities of the Foundation;
- The restricted fund accounts for non-government contributions received for which donors have specified the purpose, restricted interest earned, related expenses incurred, and funds restricted by the Board of Directors; and

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Fund Accounting (continued)

- The endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation. Interest earned on the existing endowment funds can only be used to fund various sport programs, and are therefore recorded as part of the restricted fund. The principal must remain intact.

Revenues

All revenues are reported on the accrual basis of accounting.

Cash donations are reported when received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are disclosed in Schedule 4.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
For the year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets of the Foundation are limited to financial claims, such as advances to and receivables from other organizations and individuals as well as inventories held for resale.

Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the useful lives of the assets. The threshold for capitalizing assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities represent all financial claims payable by the Foundation at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositor's capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Foundation's daily cash balance at the average rate of the CCITF's earnings, which varies depending on prevailing market interest rates.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Cash in the amount of $1,818,104 has been externally restricted and $315,022 has been internally restricted and is therefore not available to pay for operating expenses of the Foundation. (Note 7 and 8)

Note 4 Accounts Receivable

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 120,394	$ -	$ 120,394	$ 107,651
Other	6,298	-	6,298	4,856
Refunds of Expenses	106,145	-	106,145	-
	$ 232,837	$ -	$ 232,837	$ 112,507

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land, Unrestricted	N/A	$ 181,300	$ -	$ 181,300	$ 181,300
Land, Use Restricted by Donors[(a)]	N/A	1,932,699	-	1,932,699	1,765,199
Buildings, Use Restricted by Donors[(a)]	40 years	255,059	(41,141)	213,918	209,199
		$ 2,369,058	$ (41,141)	$ 2,327,917	$ 2,155,698

(a) Restricted for use in the Parks and Wildlife Ventures program.

Note 6 Artworks

The Foundation has a collection of artworks consisting of 22 (2003 – 23) prints of the Waterfowl of North America Collection #1250 with an approximate value of $6,290 (2003 – $6,558). During the year, there was 1 (2003 – 2) disposition. The proceeds received of $140 were donated to the Alberta Sports Hall of Fame and Museum for charitable purposes.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
For the year ended March 31, 2004

Note 7 Endowment Fund

The endowment fund balance comprises:

	2004	2003
Externally Restricted Contributions	$ 215,955	$ 214,835
Internally Restricted Matching Funds	197,910	197,910
	$ 413,865	$ 412,745

Note 8 Restricted Fund

The restricted fund balance comprises:

	2004	2003
Investment in Land and Buildings(a)	$ 2,146,617	$ 1,974,398
Externally Restricted Funds	1,602,149	1,616,631
Internally Restricted Funds	117,112	112,833
	$ 3,865,878	$ 3,703,862

(a) The land and buildings are governed by restrictions that require the Foundation to use these assets for its programs.

Note 9 Interfund Transfer

The Board of Directors approved an interfund transfer of $43,825 from the operating fund to the restricted fund.

Note 10 Percy Page Centre

The Foundation operates the Percy Page Centre, Edmonton, to provide accommodation and office services to non-profit organizations. These organizations are charged for their use of office equipment, supplies and print shop facilities.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
For the year ended March 31, 2004

Note 11 Honoraria

	2004			2003
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 1,225	$ -	$ 1,225	$ 1,066
Other Members (9)	12,122	-	12,122	17,835
	$ 13,347	$ -	$ 13,347	$ 18,901

[a] The Foundation has no employees. Staff of the Department of Community Development administer the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 12/98, is included in the financial statements of the Department of Community Development.

[b] No benefits were provided to board members.

[c] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 12 Commitments

At March 31, 2004, the Foundation has the following commitments:

	2004	2003
Grant Agreements	$ 737,925	$ 1,960,900
Long-term Leases[a]	430,117	513,009
Service Contracts	51,770	264,075
	$ 1,219,812	$ 2,737,984

[a] The Percy Page Centre leases photocopiers, fax machines and other office equipment.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
For the year ended March 31, 2004

Note 12 Commitments (continued)

The aggregate amounts payable for these leases are as follows:

	2004
2004-2005	$ 86,677
2005-2006	88,959
2006-2007	79,974
2007-2008	60,648
2008-2009	58,062
Thereafter	55,797
	$ 430,117

Note 13 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 14 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Schedule 1

Alberta Sport, Recreation, Parks and Wildlife Foundation
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Grants	$ 15,974,000	$ 15,331,653	$ 12,795,227
Supplies and Services	2,143,299	2,361,280	2,167,536
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,488,201	1,638,980	1,421,000
Honoraria (Note 11)	11,500	13,347	18,901
Amortization of Tangible Capital Assets	6,000	6,106	6,106
	$ 19,623,000	$ 19,351,366	$ 16,408,770

[a] The Foundation receives administrative services for various recreational, park, and wildlife facilities as well as other general financial and administrative services from the Department of Community Development.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Budget
For the year ended March 31, 2004

	2003-2004 Budget	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers			
Department of Community Development	$ 17,670,000	$ -	$ 17,670,000
Alberta Foundation for the Arts	125,000	-	125,000
Investment Income	295,000	-	295,000
Premiums, Fees and Licences	100,000	-	100,000
Other Revenue			
Donations	832,000	-	832,000
Percy Page Centre Sales	505,000	-	505,000
Refunds of Expenses	20,000	-	20,000
Miscellaneous Revenue	70,000	-	70,000
	$ 19,617,000	$ -	$ 19,617,000
Expenses – Directly Incurred			
Provincial Programs	11,482,000	-	11,482,000
Alberta and Interprovincial Games	3,044,000	-	3,044,000
Municipal Recreation / Tourism Areas	1,528,000	-	1,528,000
Active Lifestyles	1,450,000	-	1,450,000
Provincial and Regional Development	700,000	-	700,000
Percy Page Centre	506,000	-	506,000
Parks and Wildlife Ventures	427,000	-	427,000
Other Initiatives	130,000	-	130,000
Administration	356,000	-	356,000
	19,623,000	-	19,623,000
Net Operating Results	$ (6,000)	$ -	$ (6,000)
Capital Investment	$ -	$ -	$ -

Schedule 3

Alberta Sport, Recreation, Parks and Wildlife Foundation
Related Party Transactions
For the year ended March 31, 2004

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Internal Government Transfers				
Department of Community Development	$ 17,670,000	$ 15,085,000	$ -	$ -
Alberta Foundation for the Arts	106,145	125,000	-	-
	$ 17,776,145	$ 15,210,000	$ -	$ -
Expenses – Directly Incurred				
Other services	$ -	$ -	$ 80,614	$ 67,196
Accounts Receivable	$ 106,145	$ -	$ -	$ -
Accounts Payable	$ 40,216	$ 18,574	$ -	$ 1,881

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 752,758	$ 731,744
Legal Services	-	2,074	10,959	27,528
Other Services	266,888	264,600	-	-
	$ 266,888	$ 266,674	$ 763,717	$ 759,272

Schedule 4

Alberta Sport, Recreation, Parks and Wildlife Foundation
Allocated Costs
For the year ended March 31, 2004

	2004					2003
		Expenses – Incurred by Others				
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Total Expenses	Total Expenses
Provincial Programs	$ 11,533,100	$ 5,700	$ -	$ 85,404	$ 11,624,204	$ 9,439,413
Alberta and Interprovincial Games	3,041,702	58,385	-	96,080	3,196,167	2,819,568
Municipal Recreation / Tourism Areas	1,489,600	932	-	13,344	1,503,876	1,512,804
Active Lifestyles	1,449,633	1,035	-	10,676	1,461,344	1,318,187
Provincial and Regional Development	700,000	52	-	2,669	702,721	517,154
Percy Page Centre (Note 10)	453,977	683,600	-	10,676	1,148,253	1,126,420
Parks and Wildlife Ventures	299,120	880	10,959	16,013	326,972	310,058
Other Initiatives	92,783	52	-	2,669	95,504	58,795
Administration	291,451	2,122	-	29,357	322,930	332,317
	$ 19,351,366	$ 752,758	$ 10,959	$ 266,888	$ 20,381,971	$ 17,434,716

[a] Expenses – Directly Incurred as per Statement of Operations.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.

[d] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

The Government House Foundation

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Directors of Government House Foundation

I have audited the statement of financial position of the Government House Foundation as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

The Government House Foundation
Statement of Operations
Year ended March 31, 2004

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Alberta Historical Resources Foundation	$ 25,000	$ 25,000	$ 25,000
Investment Income	4,000	3,441	2,935
Other Revenue	-	-	8,131
Donations	-	-	800
	29,000	28,441	36,866
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 4)			
Administration	11,000	10,000	11,167
Public Relations	1,000	9,751	13,153
Conservation of Collections	3,000	2,791	-
Collection Acquisitions	35,000	-	-
	50,000	22,542	24,320
Net Operating Results	$ (21,000)	5,899	12,546
Fund Balance, Beginning of Year		99,631	87,085
Fund Balance, End of Year		$ 105,530	$ 99,631

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash	$ 108,612	$ 99,728
Accounts Receivable	85	48
	$ 108,697	$ 99,776
Liabilities		
Accounts Payable and Accrued Liabilities	$ 3,167	$ 145
Equity		
Fund Balance	105,530	99,631
	$ 108,697	$ 99,776

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ 5,899	$ 12,546
Decrease (Increase) in Accounts Receivable	(37)	15
Increase (Decrease) in Accounts Payable and Accrued Liabilities	3,022	(385)
Cash Provided by Operating Transactions	8,884	12,176
Cash, Beginning of Year	99,728	87,552
Cash, End of Year	$ 108,612	$ 99,728

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Government House Foundation (Foundation) operates under the authority of the *Government House Act*, Chapter G-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is:

- To advise the Minister on the preservation of Government House as a historic site and building;
- To inform and stimulate the interest of the public in the historical and architectural development of Government House; and
- To solicit and receive, by gift, bequest, device, transfer or otherwise any personal property for use or display in Government House.

The Foundation is a crown agent of the Government of Alberta and as such has a tax-exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Government House Foundation, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation, when fair value can reasonably be determined.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents

Incurred by Others

Services contributed by other entities in support of the Foundation operations are disclosed in Schedule 4.

Artworks and Collections

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

Assets

Financial assets of the Foundation are limited to receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Foundation at year-end.

Fair Value

Fair value is the amount of consideration agreed upon in an arms' length transaction between knowledgeable, willing parties who are under no compulsion to act.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

Fair Value (continued)

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Foundation's daily cash balance at the average rate of the CCITF earnings, which varies depending on prevailing market interest rates.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Artworks and Collections

The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions.

At March 31, 2004, the collection consisted of approximately 379 (2003 – 379) pieces of artworks and other items, with an approximate value of $948,342, (2003 – $948,342). During the year, the Foundation purchased artworks at a total cost of Nil, (2003 – Nil). There were no contributions to the collections during the year, (2003 – Nil), and there were no disposals during the year, (2003 – Nil).

Note 5 Commitments

At March 31, 2004, the Foundation had commitments in the amount of approximately $4,700 (2003 – $4,000) relating to program contracts.

Note 6 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 7 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Schedule 1

The Government House Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Supplies and Services			
Contract Services	$ 8,500	$ 14,409	$ 8,329
General Office	2,000	4,961	11,214
Hosting	2,000	2,466	3,201
Materials and Supplies	37,500	706	1,576
	$ 50,000	$ 22,542	$ 24,320

Schedule 2

The Government House Foundation
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers	$ 25,000	$ -	$ 25,000
Investment Income	4,000	-	4,000
Other Revenue	-	-	-
	29,000	-	29,000
Expenses – Directly Incurred			
Administration	11,000	-	11,000
Public Relation	1,000	-	1,000
Conservation of Collections	3,000	-	3,000
Collection Acquisitions	35,000	-	35,000
	50,000	-	50,000
Net Operating Results	$ (21,000)	$ -	$ (21,000)
Capital Investment	$ -	$ -	$ -

Schedule 3

The Government House Foundation
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Transfers from the Alberta Historical Resources Foundation	$ 25,000	$ 25,000	$ -	$ -
Expenses – Directly Incurred				
Other Services	$ -	$ -	$ 1,705	$ 2,043
Accounts Payable	$ 76	$ 145	$ -	$ -

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 650	$ 745
Other Services	6,815	6,616	-	-
	$ 6,815	$ 6,616	$ 650	$ 745

Schedule 4

The Government House Foundation
Allocated Costs
Year ended March 31, 2004

	2004				2003
		Expenses – Incurred by Others			
Program	Expenses[a]	Accommodation Costs[b]	Other Services[c]	Total Expenses	Total Expenses
Administration	$ 10,000	$ 288	$ 3,023	$ 13,311	$ 15,231
Public Relations	9,751	282	2,948	12,981	16,450
Conservation of Collections	2,791	80	844	3,715	-
Collection Acquisitions	-	-	-	-	-
	$ 22,542	$ 650	$ 6,815	$ 30,007	$ 31,681

[a] Expenses – Directly Incurred as per Statement of Operations.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Historic Resources Fund

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Schedule 5 – Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Community Development

I have audited the statement of financial position of the Historic Resources Fund as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In prior years, the Ministry of Community Development operated some of its facilities with the assistance of volunteer societies. The Ministry's revenues, expenses, and surpluses generated by the operation of these government-owned facilities were excluded from the Fund's financial statements. As of March 31, 2004, accumulated surpluses of approximately $216,000 have been returned to the Fund and recorded as deferred contributions instead of being recorded as part of the fund balance. In addition, the Fund has not recorded Ministry's surpluses generated by the operation of government-owned facilities that have not been returned to the Fund by the volunteer societies, which are estimated to be $109,000. The effect of this departure from Canadian generally accepted accounting principles is to overstate liabilities by approximately $216,000, understate assets by approximately $109,000 and understate fund balance by approximately $325,000 at March 31, 2004.

In my opinion, except for the effect of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Historic Resources Fund
Statement of Operations
Year ended March 31, 2004

	2004		2003
	Budget (Schedule 3)	Actual	Actual (Restated Note 3)
Revenues (Note 3 and Schedule 1)			
Interpretative Programs and Services	$ 4,091,000	$ 3,618,198	$ 3,747,769
Promotion and Presentation	2,960,000	2,299,193	2,388,413
Donations	67,000	785,404	1,665,759
Other Initiatives	529,000	736,801	626,854
Provincial Archives Services	100,000	75,933	205,284
Investment Income	80,000	87,806	108,560
Miscellaneous	-	495	16,803
	7,827,000	7,603,830	8,759,442
Expenses – Directly Incurred (Note 3 and Schedules 2 and 5)			
Interpretative Programs and Services	4,041,000	3,380,459	3,119,902
Promotion and Presentation	3,367,000	2,810,375	3,042,908
Other Initiatives	279,000	195,181	226,058
Provincial Archives	167,000	142,645	217,975
	7,854,000	6,528,660	6,606,843
Valuation Adjustments			
Provision for Doubtful Accounts	-	17,862	14,571
		6,546,522	6,621,414
Net Operating Results	$ (27,000)	1,057,308	2,138,028
Fund Balance at Beginning of Year		4,187,755	2,049,727
Fund Balance at End of Year		$ 5,245,063	$ 4,187,755

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Financial Position
As at March 31, 2004

	2004	2003 (Restated Note 3)
Assets		
Cash (Note 4)	$ 2,389,530	$ 3,040,315
Accounts Receivable (Note 5)	103,321	506,914
Inventory	244,822	182,495
Prepaid Expenses	3,777	23,467
Tangible Capital Assets (Note 6)	3,899,401	2,759,563
	$ 6,640,851	$ 6,512,754
Liabilities		
Accounts Payable and Accrued Liabilities	$ 856,285	$ 1,280,899
Deferred Contributions (Note 7)	472,083	976,501
Unearned Revenue	67,420	67,599
	1,395,788	2,324,999
Fund Balance	5,245,063	4,187,755
	$ 6,640,851	$ 6,512,754

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003 (Restated Note 3)
Operating Transactions		
Net Operating Results	$ 1,057,308	$ 2,138,028
Non-cash Items		
Amortization of Tangible Capital Assets	328,789	125,653
Valuation Adjustments	17,862	14,571
	1,403,959	2,278,252
Decrease (Increase) in Accounts Receivable before Valuation Adjustments	385,731	(370,824)
Increase in Inventory	(62,327)	(65,465)
Decrease (Increase) in Prepaid Expenses	19,690	(6,427)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(424,614)	828,364
Decrease in Deferred Contributions	(504,418)	(1,038,314)
Decrease in Unearned Revenue	(179)	(268,069)
Cash Provided by Operating Transactions	817,842	1,357,517
Capital Transactions		
Acquisition of Tangible Capital Assets	(1,213,127)	(1,899,427)
Donation of Tangible Capital Assets	(255,500)	(169,900)
Cash Applied to Capital Transactions	(1,468,627)	(2,069,327)
Decrease in Cash	(650,785)	(711,810)
Cash, Beginning of Year	3,040,315	3,752,125
Cash, End of Year	$ 2,389,530	$ 3,040,315

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Historic Resources Fund (Fund) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000, as amended.

The purpose of the Fund is to protect, enhance, promote and display Alberta's historic resources by funding programs designated by the Lieutenant Governor in Council, by providing operational grants to non-profit organizations, and by promoting the use and development of related facilities.

The Fund is a regulated fund of the Province of Alberta and as such has a tax-exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Historic Resources Fund, which is part of the Ministry of Community Development (Ministry), and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Grants and donations, that are restricted to a specific use, are recorded as deferred contributions and transferred to revenues in the period in which the related expenses are incurred.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents. In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include amortization of tangible capital assets.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 5.

Assets

Financial assets of the Fund include advances to and receivables from other organizations, employees, and other individuals, as well as inventories held for resale. Inventory is valued at the lower of cost and estimated net realizable value.

Tangible capital assets of the Fund are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing all capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Fund at fiscal year-end.

Fair Value

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values.

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Correction of Error

The comparative figures include donations-in-kind that were not previously recorded and museum exhibits that had been incorrectly expensed. This correction has the effect on the comparative figures of increasing revenue by $169,000, increasing capital assets and equity by $681,467 (April 1, 2002) and $1,815,097 (April 1, 2003) and decreasing expenses by $1,645,197 (2002 – $681,467).

Note 4 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Fund's daily cash balance at the average rate of CCITF earnings, which varies depending on prevailing market interest rates.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Accounts Receivable

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 128,787	$ 25,466	$ 103,321	$ 402,289
Accounts Receivable from Department of Community Development	-	-	-	104,625
	$ 128,787	$ 25,466	$ 103,321	$ 506,914

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 6 Tangible Capital Assets

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value (Restated Note 3)
Equipment	3-10 years	$ 4,268,806	$ (439,661)	$ 3,829,145	$ 2,679,947
Computer Hardware and Software	5 years	106,739	(36,483)	70,256	79,616
		$ 4,375,545	$ (476,144)	$ 3,899,401	$ 2,759,563

Note 7 Deferred Contributions

Deferred contributions represent restricted contributions received relating to expenses of future years.

Changes in the deferred contributions balance are as follows:

	2004	2003
Restricted Contributions Received During the Year:		
Promotion and Presentation	$ 63,743	$ 177,237
Other Initiatives	295,869	271,447
	359,612	448,684
Less: Amounts Recognized as Revenue in the Year	(864,030)	(1,486,998)
Decrease During the Year	(504,418)	(1,038,314)
Balance at Beginning of Year	976,501	2,014,815
Balance at End of Year	$ 472,083	$ 976,501
Balance at End of Year is Comprised of:		
Promotion and Presentation	$ 368,319	$ 712,649
Other Initiatives	103,764	263,852
	$ 472,083	$ 976,501

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 8 Commitments

As at March 31, 2004, the Fund has the following commitments:

	2004	2003
Program Contracts	$2,144,619	$ 297,314
Long-term Leases[a]	8,731	36,001
	$2,153,350	$ 335,315

[a] The Fund leases vehicles under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2004 – 2005	$ 8,731

Note 9 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of the Department of Community Development.

Schedule 1

Historic Resources Fund
Revenues
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual (Restated Note 3)
Transfers from Government of Canada	$ 350,000	$ 68,747	$ 140,335
Investment Income	80,000	87,806	108,560
Premiums, Fees and Licences	4,341,000	3,783,275	3,819,722
Other Revenue			
Recoveries	2,989,000	2,217,541	1,759,976
Donations	67,000	785,404	1,665,759
Rental Revenue	-	5,963	617,160
Other Grants and Contributions	-	579,291	622,772
Refunds of Expenses	-	69,619	16,764
Other Miscellaneous Revenue	-	6,184	8,394
	$ 7,827,000	$ 7,603,830	$ 8,759,442

Historic Resources Fund
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual (Restated Note 3)
Supplies and Services			
Materials and Supplies	$ 1,407,000	$ 1,490,453	$ 1,522,534
Contract Services	4,895,000	3,904,275	4,153,387
General Office	508,000	291,891	367,120
Supplies and Services from Support Service Arrangements with Related Parties[a]	811,000	448,966	322,973
Travel	130,000	57,254	95,542
Hosting	76,000	7,032	19,634
Amortization of Tangible Capital Assets	27,000	328,789	125,653
	$ 7,854,000	$ 6,528,660	$ 6,606,843
Valuation Adjustments			
Provision for Doubtful Accounts	$ -	$ 17,862	$ 14,571

[a] The Fund receives financial and administrative services from the Department of Community Development.

Schedule 3

Historic Resources Fund
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Transfers from the Government of Canada	$ 350,000	$ -	$ 350,000
Investment Income	80,000	-	80,000
Premiums, Fees and Licences	4,341,000	-	4,341,000
Other Revenue	3,056,000	-	3,056,000
	7,827,000	-	7,827,000
Expenses – Directly Incurred			
Interpretive Programs and Services	4,041,000	-	4,041,000
Promotion and Presentation	3,367,000	-	3,367,000
Other Initiatives	279,000	-	279,000
Provincial Archives	167,000	-	167,000
	7,854,000	-	7,854,000
Net Operating Results	$ (27,000)	$ -	$ (27,000)
Capital Investment	$ -	$ -	$ -

Historic Resources Fund
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003 (Restated Note 3)	2004	2003
Revenues				
Grants	$ -	$ 155,400	$ -	$ -
Expenses – Directly Incurred				
Other services	$ -	$ -	$ 110,906	$ 20,248
Accounts Payable	$ 176,523	$ 30,452	$ -	$ -
Accounts Receivable	$ -	$ 104,625	$ -	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 5.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 43,791	$ 39,998
Other Services	240,235	281,066	-	-
	$ 240,235	$ 281,066	$ 43,791	$ 39,998

Schedule 5

Historic Resources Fund
Allocated Costs
Year ended March 31, 2004

Program	2004					2003
		Expenses – Incurred by Others		Valuation Adjustments		
	Expenses[a]	Accommodation[b]	Other Services[c]	Doubtful Accounts[d]	Total Expenses	Total Expenses (Restated Note 3)
Interpretative Programs and Services	$ 3,380,459	$ 22,613	$ 124,051	$ -	$ 3,527,123	$ 3,245,563
Promotion and Presentation	2,810,375	18,917	103,778	17,637	2,950,707	3,216,890
Other Initiatives	195,181	1,306	7,163	-	203,650	251,277
Provincial Archives	142,645	955	5,243	225	149,068	228,748
	$ 6,528,660	$ 43,791	$ 240,235	$ 17,862	$ 6,830,548	$ 6,942,478

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 4, allocated by square footage.

[c] Costs shown for Other Services on Schedule 4, allocated by estimated costs incurred by each program.

[d] Doubtful Accounts Provision were estimated and allocated to program.

Human Rights, Citizenship and Multiculturalism Education Fund

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March 31, 2004

Human Rights, Citizenship and Multiculturalism Education Fund
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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Community Development

I have audited the statement of financial position of the Human Rights, Citizenship and Multiculturalism Education Fund as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Human Rights, Citizenship and Multiculturalism Education Fund as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Operations
Year ended March 31, 2004

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Community Development	$ 1,265,000	$ 1,265,000	$ 1,062,000
Transfers from the Alberta Heritage Scholarship Fund	45,000	29,294	32,216
Investment Income	150,000	100,436	101,621
Premiums, Fees and Licences	10,000	-	-
Other Revenue			
Refunds of Expenses	15,000	114	23,189
Donations	-	-	19,000
Other	-	14,266	6,168
	1,485,000	1,409,110	1,244,194
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 4)			
Support to Community Groups	926,000	797,695	745,173
Education Programs	245,000	282,633	183,563
Administration	204,000	211,457	83,551
Cultural Diversity Institute	60,000	60,000	180,000
Fathers of Confederation	50,000	50,000	50,000
	1,485,000	1,401,785	1,242,287
Net Operating Results	$ -	7,325	1,907
Fund Balance, Beginning of Year		1,605,607	1,603,700
Fund Balance, End of Year		$ 1,612,932	$ 1,605,607

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash (Note 3)	$ 1,674,941	$ 1,895,006
Accounts Receivable (Note 4)	4,012	535
	1,678,953	1,895,541
Cash Appropriated for Non-Current Use (Notes 3 and 5)	1,450,000	1,450,000
	$ 3,128,953	$ 3,345,541
Liabilities		
Accounts Payable and Accrued Liabilities	$ 66,021	$ 289,934
Equity		
Fund Balance	1,612,932	1,605,607
General Reserve (Note 5)	1,450,000	1,450,000
	3,062,932	3,055,607
	$ 3,128,953	$ 3,345,541

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ 7,325	$ 1,907
Decrease (Increase) in Accounts Receivable	(3,477)	1,299,635
(Decrease) in Accounts Payable and Accrued Liabilities	(223,913)	(1,054,583)
Cash Provided by (Applied to) Operating Transactions	(220,065)	246,959
Cash, Beginning of Year	1,895,006	1,648,047
Cash, End of Year	$ 1,674,941	$ 1,895,006

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Human Rights, Citizenship and Multiculturalism Education Fund (Fund) operates under the authority of the *Human Rights, Citizenship and Multiculturalism Act*, Chapter H-14, Revised Statutes of Alberta 2000.

The purpose of the Fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the Human Rights, Citizenship and Multiculturalism Act.

The Fund is owned by the Crown in right of Alberta and is not subject to taxation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Fund, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Cash donations are reported when received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation, when fair value can reasonably be determined.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Fund operations are disclosed in Schedule 4.

Assets

Financial assets of the Fund are limited to financial claims, such as advances to and receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Fund at fiscal year end.

Fair Value

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The

Note 3 Cash (continued)

portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Fund's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 4,012	$ -	$ 4,012	$ 535
	$ 4,012	$ -	$ 4,012	$ 535

Accounts receivable are unsecured and non-interest bearing.

Note 5 General Reserve

The general reserve has been established by appropriation from the fund balance. The purpose of the reserve is to maintain a source for ongoing funding capability. The reserve is not available for operations without authorization of the Treasury Board.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

Note 6 Commitments

At March 31, 2004, the Fund has the following commitments relating to program contracts and grants:

	2004	2003
2003-2004	$ -	$ 77,120
2004-2005	161,424	-
	$ 161,424	$ 77,120

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
Year ended March 31, 2004

Note 7 Honoraria

	2004			2003
	Honoraria(a)	Benefits and Allowances(b)	Total	Total
Advisory Committee				
Chair(c)	$ -	$ -	$ -	$ -
Vice-Chair(a)(d)	-	-	-	-
Other Members(e)	2,020	-	2,020	1,868
	$ 2,020	$ -	$ 2,020	$ 1,868

(a) The Fund has no employees. Staff of the Department of Community Development administers the Fund. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 12/98, is included in the financial statements of the Department of Community Development.

(b) No benefits were provided to the Advisory Committee members.

(c) The Chair of the Advisory Committee is a Member of the Legislative Assembly and is not compensated by the Fund. The Chair received $15,255 from the Department of Community Development for his duties as Chair of the Advisory Committee.

(d) The Vice-chair of the Advisory Committee is the Chief Commissioner of the Alberta Human Rights and Citizenship Commission and is not compensated by the Fund. The Vice-chair's salary and benefits are reported in the financial statements of the Department of Community Development.

(e) Members appointed to the Advisory Committee are paid honoraria for attending meetings and performing other Fund duties at rates set by Ministerial Order.

Note 8 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of the Department of Community Development.

Schedule 1

Human Rights, Citizenship and Multiculturalism Education Fund
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Grants	$ 1,081,000	$ 932,695	$ 980,635
Supplies and Services	227,000	290,070	189,784
Supplies and Services from Support Service Arrangements with Related Parties[a]	177,000	177,000	70,000
Honoraria (Note 7)	-	2,020	1,868
	$ 1,485,000	$ 1,401,785	$ 1,242,287

[a] The Fund receives financial and administrative services from the Department of Community Development.

Human Rights, Citizenship and Multiculturalism Education Fund
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers			
Transfer from the Department of Community Development	$ 1,265,000	$ -	$ 1,265,000
Transfers from the Alberta Heritage Scholarship Fund	45,000	-	45,000
Investment Income	150,000	-	150,000
Premiums, Fees and Licences	10,000	-	10,000
Other Revenue			
Refunds of Expenses	15,000	-	15,000
	1,485,000	-	1,485,000
Expenses – Directly Incurred			
Support to Community Groups	926,000	-	926,000
Education Programs	245,000	-	245,000
Administration	204,000	-	204,000
Cultural Diversity Institute	60,000	-	60,000
Fathers of Confederation	50,000	-	50,000
	1,485,000	-	1,485,000
Net Operating Results	$ -	$ -	$ -
Capital Investment	$ -	$ -	$ -

Human Rights, Citizenship and Multiculturalism Education Fund
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Transfers from the Department of Community Development	$ 1,265,000	$ 1,062,000	$ -	$ -
Transfers from the Alberta Heritage Scholarship Fund	-	-	29,294	32,216
	$ 1,265,000	$ 1,062,000	$ 29,294	$ 32,216
Expenses – Directly Incurred				
Grants	$ -	$ -	$ -	$ 50,000
Other Services	-	-	7,192	7,930
	$ -	$ -	$ 7,192	$ 57,930
Accounts Receivable	$ -	$ -	$ -	$ -
Accounts Payable	$ 5,350	$ 30,700	$ -	$ 3,600

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 13,056	$ 8,857
Legal Costs	-	-	724	-
Other Services	151,822	95,303	-	-
	$ 151,822	$ 95,303	$ 13,780	$ 8,857

Schedule 4

Human Rights, Citizenship and Multiculturalism Education Fund
Allocated Costs
Year ended March 31, 2004

	2004					2003
		Expenses – Incurred by Others				
Program	Expenses[a]	Accommodation Costs[b]	Legal Services[c]	Other Services[d]	Total Expenses	Total Expenses
Support to Community Groups	$ 797,695	$ 4,853	$ -	$ 8,472	$ 811,020	$ 785,743
Education Programs	282,633	5,839	-	112,073	400,545	216,722
Administration	211,457	1,357	-	26,252	239,066	111,051
Cultural Diversity Institute	60,000	948	724	3,897	65,569	181,932
Fathers of Confederation	50,000	59	-	1,128	51,187	50,999
	$ 1,401,785	$ 13,056	$ 724	$ 151,822	$ 1,567,387	$ 1,346,447

[a] Expenses – Directly Incurred as per Statement of Operations

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.

[d] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

The Wild Rose Foundation

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Wild Rose Foundation

I have audited the statement of financial position of the Wild Rose Foundation as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Wild Rose Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 21, 2004

The Wild Rose Foundation
Statement of Operations
Year ended March 31, 2004

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from Department of Community Development	$ 7,766,000	$ 7,766,000	$ 6,550,000
Investment Income	420,000	338,055	300,399
Premiums, Fees and Licences			
- Vitalize Conference for Volunteers	156,000	127,809	136,719
Other Revenue			
Donations			
- Vitalize Conference for Volunteers	53,000	45,904	25,284
Refunds of Expenses			
- Other Initiatives	100,000	8,374	94,909
Miscellaneous Revenue			
- Vitalize Conference for Volunteers	7,000	4,379	11,225
	8,502,000	8,290,521	7,118,536
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 4)			
Support to Alberta Non-Profit Organizations	4,115,000	4,476,449	4,049,954
International Development Program	1,705,000	1,859,514	1,672,018
Voluntary Sector Development	1,522,000	794,572	462,837
Vitalize Conference for Volunteers	637,000	521,078	474,475
Other Initiatives	250,000	219,064	201,365
Administration	274,000	226,576	186,091
	8,503,000	8,097,253	7,046,740
Net Operating Results	$ (1,000)	193,268	71,796
Operating Fund Balance at Beginning of Year		1,904,026	1,832,230
Operating Fund Balance at End of Year		$ 2,097,294	$ 1,904,026

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Financial Position
As at March 31, 2004

	2004	2003
Assets		
Cash (Note 3)	$ 3,715,170	$ 3,007,059
Accounts Receivable	1,752	1,307
Prepaid Expenses	50,646	51,734
	3,767,568	3,060,100
Investment (Note 3)	6,500,000	6,500,000
Tangible Capital Assets (Note 4)	768	1,730
	$ 10,268,336	$ 9,561,830
Liabilities		
Accounts Payable and Accrued Liabilities	$ 1,669,500	$ 1,157,804
Unearned Revenue	1,542	-
	1,671,042	1,157,804
Equity		
Endowment Fund – Internally Restricted (Note 5)	6,500,000	6,500,000
Operating Fund	2,097,294	1,904,026
	8,597,294	8,404,026
	$ 10,268,336	$ 9,561,830

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Cash Flow
Year ended March 31, 2004

	2004	2003
Operating Transactions		
Net Operating Results	$ 193,268	$ 71,796
Non-cash Items		
Amortization of Tangible Capital Assets	962	1,587
	194,230	73,383
Increase in Accounts Receivable	(445)	(539)
Decrease (Increase) in Prepaid Expenses	1,088	(10,897)
Increase in Accounts Payable and Accrued Liabilities	511,696	600,336
Increase (Decrease) in Unearned Revenue	1,542	(5,823)
Cash Provided by Operating Transactions	708,111	656,460
Cash, Beginning of Year	3,007,059	2,350,599
Cash, End of Year	$ 3,715,170	$ 3,007,059

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Wild Rose Foundation (Foundation) operates under the authority of the *Wild Rose Foundation Act*, Chapter W-8, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To provide funding to volunteer, non-profit organizations that provide valuable services to Albertans;
- To foster or promote the use of volunteers, or to assist those who volunteer or use the services of volunteers in Alberta; and
- To foster or promote charitable, philanthropic, humanitarian, or public spirited acts or to assist those who perform them.

The Foundation is a crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Wild Rose Foundation, which is part of the Ministry of Community Development (Ministry) and for which the Minister of Community Development (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenue (continued)

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are disclosed in Schedule 4.

Assets

Financial assets of the Foundation are limited to financial claims, such as receivables from other organizations.

Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Foundation at fiscal year end.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Fair Value

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values.

Note 3 Cash and Investment

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed by Alberta Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. Interest is earned on the Foundation's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates.

Investment also consists of deposits in the CCITF. It represents deposits equivalent to the endowment fund balance. These deposits are internally restricted.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Tangible Capital Assets

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	7 years	$ 10,582	$ (9,814)	$ 768	$ 1,730
Computer Equipment	3 years	18,274	(18,274)	-	-
		$ 28,856	$ (28,088)	$ 768	$ 1,730

Note 5 Endowment Fund – Internally Restricted

In 1985, the members of the Foundation directed that the initial contribution from lottery funds amounting to $4,500,000 be placed in an endowment fund so that the funds are not available for use in its operations. In 1993, a further $2,000,000 was transferred from the operating fund balance to the endowment fund. The purpose of the fund is to earn income and to retain an ongoing funding capability.

Interest earned on the endowment fund is reported as operating revenue.

Note 6 Honoraria

	2004			2003
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 16,832	$ -	$ 16,832	$ 12,814
Other Members (6)	22,383	-	22,383	21,864
	$ 39,215	$ -	$ 39,215	$ 34,678

[a] The Foundation has no employees. Staff of the Department of Community Development administer the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 12/98, is included in the financial statements of the Department of Community Development.

[b] No benefits were provided to Board members.

[c] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out of town meetings, and for attending to other Foundation duties.

Note 7 Commitments

As at March 31, 2004, the Foundation has the following commitments relating to program contracts and grants:

	2004	2003
2003 – 2004	$ -	$ 151,520
2004 – 2005	432,995	-
2005 – 2006	284,197	-
	$ 717,192	$ 151,520

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31, 2004

Note 8 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Board of Directors.

The Wild Rose Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2004

	2004		2003
	Budget	Actual	Actual
Grants	$ 5,504,000	$ 6,441,696	$ 5,501,899
Supplies and Services	2,229,637	906,380	918,576
Supplies and Services from Support Services Arrangements with Related Parties[a]	722,829	709,000	590,000
Honoraria (Note 6)	45,534	39,215	34,678
Amortization of Tangible Capital Assets	1,000	962	1,587
	$ 8,503,000	$ 8,097,253	$ 7,046,740

[a] The Foundation receives financial and program related administrative services from the Department of Community Development.

Schedule 2

The Wild Rose Foundation
Budget
Year ended March 31, 2004

	2003-2004 Estimates	Treasury Board Approval	2003-2004 Authorized Budget
Revenues			
Internal Government Transfers			
Transfer from the Department of Community Development	$ 7,766,000	$ -	$ 7,766,000
Investment Income	420,000	-	420,000
Premiums, Fees and Licences	156,000	-	156,000
Other Revenue	160,000	-	160,000
	8,502,000	-	8,502,000
Expenses			
Support to Alberta Non-Profit Organizations	4,115,000	-	4,115,000
International Development Program	1,705,000	-	1,705,000
Voluntary Sector Development	1,522,000	-	1,522,000
Vitalize Conference for Volunteers	637,000	-	637,000
Other Initiatives	250,000	-	250,000
Administration	274,000	-	274,000
	8,503,000	-	8,503,000
Net Operating Results	$ (1,000)	$ -	$ (1,000)
Capital Investment	$ -	$ -	$ -

The Wild Rose Foundation
Related Party Transactions
Year ended March 31, 2004

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Transfer from Department of Community Development	$ 7,766,000	$ 6,550,000	$ -	$ -
Expenses – Directly Incurred				
Other services	$ -	$ -	$ 46,873	$ 38,796
Accounts Payable	$ 48,638	$ 13,275	$ -	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 41,413	$ 52,347
Other Services	41,855	36,670	-	12
	$ 41,855	$ 36,670	$ 41,413	$ 52,359

Schedule 4

The Wild Rose Foundation
Allocated Costs
Year ended March 31, 2004

	2004				2003
		Expenses – Incurred by Others			
Program	Expenses[a]	Accommodation Costs[b]	Other Services[c]	Total Expenses	Total Expenses
Support to Alberta Non-Profit Organizations	$ 4,476,449	$ 10,353	$ 10,464	$ 4,497,266	$ 4,076,659
International Development Program	1,859,514	10,353	10,464	1,880,331	1,698,723
Voluntary Sector Development	794,572	6,212	6,278	807,062	472,183
Vitalize Conference for Volunteers	521,078	6,212	6,278	533,568	487,828
Other Initiatives	219,064	4,142	4,186	227,392	205,371
Administration	226,576	4,141	4,185	234,902	195,005
	$ 8,097,253	$ 41,413	$ 41,855	$ 8,180,521	$ 7,135,769

[a] Expenses – Directly Incurred as per Statement of Operations, excluding evaluation adjustments.

[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

[c] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Persons with Developmental Disabilities
Calgary Region Community Board

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AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities Calgary Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Calgary Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Calgary Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 10, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Calgary Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Grant from Persons with Developmental Disabilities Provincial Board	$ 102,473	$ 106,492	$ 96,663
Previous Year's Refund of Expenditures	-	235	167
Other	-	3	-
	102,473	106,730	96,830
Expenses – Directly Incurred (Note 2(b) and Schedule 1)			
Programs			
Community Living Supports	54,398	52,568	47,949
Employment Supports	11,588	9,316	9,568
Community Access Supports	17,721	21,484	19,477
Specialized Community Supports	1,802	1,785	1,746
Direct Operations	780	854	960
Supports to Delivery Systems	16,074	19,532	16,219
Board Governance	110	129	89
	102,473	105,668	96,008
Valuation Adjustments (Schedule 4)	-	236	47
	102,473	105,904	96,055
Net Operating Results	$ -	$ 826	$ 775

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Calgary Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 5,352	$ 4,425
Accounts Receivable (Note 3)	4	2
Tangible Capital Assets (Note 7)	194	195
	$ 5,550	$ 4,622
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 5,066	$ 4,964
Net Assets (Liabilities)		
Net Liabilities, Beginning of Year	(342)	(1,117)
Net Operating Results	826	775
Net Assets (Liabilities), End of Year	484	(342)
	$ 5,550	$ 4,622

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Calgary Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 826	$ 775
Non-Cash Items		
Valuation Adjustment	236	47
Amortization	65	5
	1,127	827
Increase in Accounts Receivable	(2)	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(134)	968
Cash Provided by Operating Transactions	991	1,794
Investing Transactions		
Purchase of Capital Assets	(64)	(200)
Increase in Cash	927	1,594
Cash, Beginning of Year	4,425	2,831
Cash, End of Year	$ 5,352	$ 4,425

[a] Adjusted for valuation adjustments.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Calgary Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons with Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses include:

- Amortization of tangible capital assets;
- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, overtime, time-in-lieu guarantees and indemnities; and
- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Program Expenses Reported on the Statement of Operations

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports – expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to the community.

Direct Operations – other expenses incurred to operate the following facilities:

- Bow Park Court
- Scenic Bow Legion Group Homes
- Parkmont Achievement Center

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Supports to Delivery Systems – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

Tangible capital assets of the Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets (Liabilities)

Net Assets (Liabilities) represents the difference between the values of assets held by the Board and its liabilities.

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
GST Receivable	$ 4	$ -	$ 4	$ 2
	$ 4	- $ -	$ 4	$ 2

Accounts receivable are unsecured and non-interest bearing.

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 3,142	$ 3,100
Employees Accrued Vacation Pay and Manpower Costs	1,524	1,025
Accrued Supplies and Services	400	839
	$ 5,066	$ 4,964

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for material and services.

Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 7 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Vehicles	3 years	$ 241	$ 69	$ 172	$ 182
Equipment	15 years	13	1	12	13
Equipment	10 years	10	-	10	-
		$ 264	$ 70	$ 194	$ 195

Note 8 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Long-term Leases[a]	$ 43	$ 43
Service Contracts	-	56
	$ 43	$ 99

[a] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 22
2006	15
2007	6
	$ 43

Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 9 Trusts Fund Under Administration (thousands of dollars)

The Board administers trust funds. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Board's financial statements.

As at March 31, 2004 trust funds under administration were as follows:

	2004	2003
Client Trust Funds	$ 78	$ 83

Note 10 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies which were receiving services prior to the passing of the *Act* but they no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 60 (2003 – 71) individuals that has been included in the Statement of Operations is estimated to be $1,538 (2003 restated – $1,602). The total cost for two (2003 – 2) agencies that has been included in the Statement of Operations is estimated to be $1,056 (2003 – $1,020).

Note 11 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 12 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer.

Schedule 1

Persons with Developmental Disabilities
Calgary Region Community Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower [a]	$ 11,298	$ 10,941	$ 9,620
Supplies and Services	36,642	48,058	41,828
Grants	54,533	47,639	45,850
Amortization of Tangible Capital Assets	-	65	5
	102,473	106,703	97,303
Provision for Vacation Pay and Overtime Pay	-	236	47
Less Recovery from Support Service Arrangements with Related Parties[b]	-	(1,035)	(1,295)
	$ 102,473	$ 105,904	$ 96,055

[a] Manpower costs relate to employees assigned to the Board from the Department of Community Development and are not employees of the Board.

[b] The Board provides specialized program supports to children who are the responsibility of the Calgary and Area Child and Family Services Authority. Costs incurred for these activities are recovered from the Calgary and Area Child and Family Services Authority.

Persons with Developmental Disabilities
Calgary Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Reallocation From Provincial Board[a]	2003-2004 Final Budget
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 102,473	$ 4,019	$ 106,492
Expenses – Directly Incurred			
Community Living Supports	54,398	(479)	53,919
Employment Supports	11,588	(1,315)	10,273
Community Access Supports	17,721	3,540	21,261
Specialized Community Supports	1,802	306	2,108
Direct Operations	780	419	1,199
Supports to Delivery Systems	16,074	1,562	17,636
Board Governance	110	-	110
	102,473	4,033	106,506
Net Operating Results	$ -	$ (14)	$ (14)
Capital Investments	$ -	$ 70	$ 70

[a] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Persons with Developmental Disabilities
Calgary Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-Cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 21	$ -	$ 21	$ 14
Board Members[d][e]	-	90	-	90	60
Chief Executive Officer[f]	102	15	22	139	127
Manager, Individual Supports[g]	80	6	17	103	94
Manager, Community Resource Management[g]	79	6	17	102	93
Executive Director, Graduated Supports[g]	77	5	16	98	87

[a] Base Salary includes pensionable base pay.

[b] Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

[c] Other non-cash benefits include payments for pension, health care, dental and medical coverage, group life insurance, short and long-term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

[d] These amounts represent honoraria payments made to the Chair (occupied by two individuals during the year) and Members of the Board.

[e] These positions were occupied by nine individuals during the year.

[f] These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

[g] Executives are assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 4

Persons with Developmental Disabilities
Calgary Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004						2003
		Expenses – Incurred by Others		Valuation Adjustments			
Program	Expenses(a)	Accommodation Costs(b)	Legal Services(c)	Provision for Vacation Pay(d)	Provision for Overtime Pay(d)	Total Expenses	Total Expenses
Community Living Supports	$ 52,568	$ 1,195	$ -	$ -	$ -	$ 53,763	$ 49,032
Employment Supports	9,316	-	-	-	-	9,316	9,568
Community Access Supports	21,484	224	-	-	-	21,708	19,627
Specialized Community Supports	1,785	-	-	-	-	1,785	1,746
Direct Operations	854	-	-	-	-	854	960
Supports to Delivery Systems	19,532	286	5	59	177	20,059	16,480
Board Governance	129	-	-	-	-	129	89
	$ 105,668	$ 1,705	$ 5	$ 59	$ 177	$ 107,614	$ 97,502

(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

(b) Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.

(c) Costs shown for Legal Services per Schedule 5.

(d) Provision for Vacation Pay and Overtime Pay have been allocated based on the actual provision relating to each program.

Persons with Developmental Disabilities
Calgary Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Developmental Disabilities Provincial Board	$ 106,492	$ 96,663	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 149	$ 195
Department of Government Services	-	-	312	313
	$ -	$ -	$ 461	$ 508

At March 31, 2004 accounts payable of the Board include amounts owing of $72 (2003 – $68) to the Department of Innovation and Science and $77 (2003 – $77) to the Department of Government Services.

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 1,705	$ 1,440
Department of Justice	-	-	5	7
	$ -	$ -	$ 1,710	$ 1,447

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

Persons with Developmental Disabilities
Central Region Community Board

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March 31, 2004

Persons with Developmental Disabilities
Central Region Community Board
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Schedule 5 – Related Party Transactions

AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities Central Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Central Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Central Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 10, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Central Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Grant from Persons with Developmental Disabilities Provincial Board	$ 111,966	$ 113,720	$ 107,108
Previous Year's Refund of Expenditures	-	40	103
Fee Revenue (Note 2)	675	1,123	1,062
Program Fund Revenue (Note 2)	615	570	596
	113,256	115,453	108,869
Expenses – Directly Incurred (Note 2(b) and Schedule 1)			
Programs			
Community Living Supports	65,554	64,225	62,735
Employment Supports	3,601	2,970	2,887
Community Access Supports	12,698	11,948	11,045
Specialized Community Supports	1,818	3,356	2,153
Direct Operations	15,280	14,967	15,490
Supports to Delivery Systems	13,506	16,072	13,309
Board Governance	120	140	138
Program Fund	515	593	569
	113,092	114,271	108,326
Valuation Adjustments (Schedule 4)	-	871	112
	113,092	115,142	108,438
Net Operating Results	$ 164	$ 311	$ 431

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Central Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 6,585	$ 6,163
Accounts Receivable (Note 3)	402	187
Inventory	423	476
Tangible Capital Assets (Note 4)	1,175	1,091
	$ 8,585	$ 7,917
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 7,963	$ 7,606
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	311	(120)
Net Operating Results	311	431
Net Assets, End of Year	622	311
	$ 8,585	$ 7,917

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Central Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 311	$ 431
Non-Cash Items		
Amortization	274	246
Valuation Adjustments	871	112
	1,456	789
Increase in Accounts Receivable	(214)	(104)
Decrease in Inventory	53	3
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(515)	206
Cash Provided by Operating Transactions	780	894
Investing Transactions		
Purchase of Tangible Capital Assets	(358)	(347)
Increase in Cash	422	547
Cash, Beginning of Year	6,163	5,616
Cash, End of Year	$ 6,585	$ 6,163

[a] Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Central Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Central Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons with Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

- Amortization of tangible capital assets;
- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, overtime, time in lieu, guarantees and indemnities; and
- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of their salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Revenues and Expenses Reported on the Statement of Operations

Fee Revenue (thousands of dollars) – Michener Centre and Youngston Home collect fees from certain residents in accordance with the Social Care Facilities Residents Rates Order. Fees in the amount of $952 were collected during the year (2003 – $882). In addition, Michener Centre collects fees from external users of the Roland Michener Recreation Centre. Fees in the amount of $171 were collected during the year (2003 – $180).

Program Fund Revenue and Expenses – The Board administers funds that are designated by the Provincial Treasurer as regulated. Revenues are generated from and expenses are incurred for the production and sale of goods and the provision of dental services to external users. The funds are used to provide recreational, social and vocational opportunities and dental services to persons with developmental disabilities.

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Description of Revenues and Expenses Reported on the Statement of Operations (continued)

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports – expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to the community.

Direct Operations – other expenses incurred to operate the following facilities:

- Michener Center, Red Deer, Alberta
- Youngstown Home, Youngstown, Alberta

Supports to Delivery System – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the average cost method.

Tangible capital assets of the Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Board and its Liabilities.

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Trades Receivable	$ 306	$ -	$ 306	$ 182
Contract Recoveries	90	-	90	-
GST Receivable	6	-	6	5
	$ 402	$ -	$ 402	$ 187

Accounts receivable are unsecured and non-interest bearing.

Persons with Developmental Disabilities
Central Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 4 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer Equipment	5 years	$ 520	$ 473	$ 47	$ 19
Equipment	5-10 years	3,316	2,188	1,128	1,072
		$ 3,836	$ 2,661	$ 1,175	$ 1,091

Note 5 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 1,267	$ 1,566
Employees Accrued Vacation Pay and Manpower Costs	5,752	4,159
Accrued Supplies and Services	944	1,881
	$ 7,963	$ 7,606

Note 6 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 7 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Persons with Developmental Disabilities
Central Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 8 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Service Contracts[a]	$ 4,036	$ 6,842
Long-term Leases[b]	361	366
	$ 4,397	$ 7,208

[a] Actual amounts are dependent on the usage of service.

[b] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amount payable for the unexpired terms of these leases are as follows:

2005	$ 161
2006	126
2007	68
2008	6
	$ 361

Note 9 Trust Funds Under Administration (thousands of dollars)

The Board administers trust funds. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Board's financial statements.

As at March 31, 2004 trust funds under administration were as follows:

	2004	2003
Client Trust Funds	$ 213	$ 235

Note 10 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies were receiving services prior to the passing of the *Act* but who no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 9 individuals (2003 – 9 individuals) that has been included in the Statement of Operations is estimated to be $561 (2003 – $594).

Note 11 Services Provided by Regional Health Authorities (thousands of dollars)

The Board incurred supplies and services of $353 (2003 – $352) for contract services rendered by the David Thompson Health Region. These transactions were recorded at the amount of consideration agreed upon between the parties.

Note 12 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 13 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
Central Region Community Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower (a)	$ 42,553	$ 42,105	$ 40,000
Supplies and Services	48,330	59,236	51,363
Grants	21,913	12,656	16,717
Amortization of Tangible Capital Assets	296	274	246
	$ 113,092	$ 114,271	$ 108,326

(a) Manpower costs relate to employees assigned to the Board from the Ministry of Community Development and are not employees of the Board.

Schedule 2

Persons with Developmental Disabilities
Central Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Reallocation from Provincial Board[a]	2003-2004 Final Budget
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 111,966	$ 1,754	$ 113,720
Fee Revenue	675	-	675
Program Fund Revenue	615	-	615
	$ 113,256	$ 1,754	$ 115,010
Expenses – Directly Incurred			
Community Living Supports	65,554	156	65,710
Employment Supports	3,601	75	3,676
Community Access Supports	12,698	442	13,140
Specialized Community Supports	1,818	1,567	3,385
Direct Operations	15,280	15	15,295
Supports to Delivery Systems	13,506	(134)	13,372
Board Governance	120	45	165
Program Fund	515	49	564
	113,092	2,215	115,307
Net Operating Results	$ 164	$ (461)	$ (297)

[a] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Schedule 3

Persons with Developmental Disabilities
Central Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 35	$ -	$ 35	$ 29
Board Members[e]	-	66	-	66	71
Chief Executive Officer[f]	107	15	23	145	131
Chief Executive Officer Michener	-	-	-	-	35
Chief Operating Officer[g]	87	8	19	114	69
Specialty Services Manager[g]	79	8	17	104	99
Chief Financial Officer[g]	72	8	15	95	88
Manager, Corporate Development[g]	71	8	15	94	88
Director, Community Resources[g]	68	8	14	90	92

[a] Base Salary includes pensionable base pay.

[b] Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

[c] Other non-cash benefits include payments for pension, health care, dental and medical coverage, group life insurance, short and long term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

[d] These amounts represent honoraria payments made to the Chair (occupied by two individuals during the year) of the Board.

[e] There are 9 board member positions that were occupied for varying lengths of time during the year. These amounts represent honoraria payments made to the 9 board members.

[f] These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

[g] Executive staff are assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 4

Persons with Developmental Disabilities
Central Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004						2003
		Expenses – Incurred by Others		Valuation Adjustments			
Program	Expenses[a]	Accommodation Costs[b]	Legal Services[c]	Provision for Vacation Pay[d]	Provision for Overtime Pay[d]	Total Expenses	Total Expenses
Community Living Supports	$ 64,225	$ 3,882	$ 7	$ 93	$ 500	$ 68,707	$ 66,291
Employment Supports	2,970	-	-	-	-	2,970	2,887
Community Access Supports	11,948	675	-	11	3	12,637	11,644
Specialized community Supports	3,356	228	-	11	57	3,652	2,322
Direct Operations	14,967	1,078	-	30	91	16,166	16,573
Supports to Delivery Systems	16,072	455	4	49	26	16,606	13,976
Board Governance	140	-	-	-	-	140	138
Program Fund	593	-	-	-	-	593	569
	$ 114,271	$ 6,318	$ 11	$ 194	$ 677	$ 121,471	$ 114,400

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.

[c] Costs shown for Legal Services per Schedule 5.

[d] Provision for Vacation Pay and Overtime Pay have been allocated based on actual provision relating to each program.

Schedule 5

Persons with Developmental Disabilities
Central Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Developmental Disabilities Provincial Board	$ 113,720	$ 107,108	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 161	$ 219
Department of Government Services	-	-	852	814
Department of Infrastructure	-	-	12	17
	$ -	$ -	$ 1,025	$ 1,050
Accounts Receivable				
Persons with Developmental Disabilities Provincial Board	$ -	$ 1	$ -	$ -
Accounts Payable				
Department of Innovation and Science	$ -	$ -	$ 22	$ -
Department of Government Services	-	-	196	419
Department of Community Development	-	9	-	-
	$ -	$ 9	$ 218	$ 419

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 6,318	$ 5,947
Department of Justice	-	-	11	15
	$ -	$ -	$ 6,329	$ 5,962

Persons with Developmental Disabilities Edmonton Region Community Board

Financial Statements

March 31, 2004

Persons with Developmental Disabilities
Edmonton Region Community Board
Financial Statements
March 31, 2004

Auditor's Report

Statement of Operations

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Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Budget

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Schedule 4 – Allocated Costs

Schedule 5 – Related Party Transactions

AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities Edmonton Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Edmonton Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Edmonton Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 10, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J. Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Edmonton Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Grant from Persons with Developmental Disabilities Provincial Board	$ 122,908	$ 126,189	$ 116,105
Previous Year's Refund of Expenditures	-	352	228
Other	-	90	3
	122,908	126,631	116,336
Expenses – Directly Incurred (Note 2(b) and Schedule 1)			
Programs			
Community Living Supports	80,456	72,478	67,522
Employment Supports	5,948	6,503	5,541
Community Access Supports	16,640	14,061	15,110
Specialized Community Supports	835	11,051	9,968
Direct Operations	1,490	1,452	1,301
Supports to Delivery Systems	17,381	20,505	16,468
Board Governance	160	108	126
	122,910	126,158	116,036
Valuation Adjustments (Schedule 4)	-	23	(4)
	122,910	126,181	116,032
Net Operating Results	$ (2)	$ 450	$ 304

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Edmonton Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 5,831	$ 4,374
Accounts Receivable (Note 3)	358	234
Tangible Capital Assets (Note 7)	9	10
	$ 6,198	$ 4,618
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 6,520	$ 5,390
Net Liabilities		
Net Liabilities, Beginning of Year	(772)	(1,076)
Net Operating Results	450	304
Net Liabilities, End of Year	(322)	(772)
	$ 6,198	$ 4,618

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Edmonton Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 450	$ 304
Non-Cash Items		
Amortization	2	2
Valuation Adjustments	23	(4)
	475	302
Increase in Accounts Receivable	(124)	(120)
Increase (Decrease) in Accounts Payable and Accrued Liabilities(a)	1,106	(111)
Cash Provided by Operating Transactions	1,457	71
Cash, Beginning of Year	4,374	4,303
Cash, End of Year	$ 5,831	$ 4,374

(a) Adjusted for valuation adjustments.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Edmonton Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Edmonton Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons with Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

- Amortization of tangible capital assets;
- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of their salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Expenses Reported on the Statement of Operations

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports – expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to community.

Direct Operations – other expenses incurred to operate the Eric Cormack Center and 11 community homes in the greater Edmonton area.

Supports to Delivery Systems – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

Tangible capital assets of the Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Liabilities

Net liabilities represents the difference between the values of assets held by the Board and its liabilities.

Persons with Developmental Disabilities
Edmonton Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Individual Funding Recovery	$ -	$ -	$ -	$ 20
Contract Recovery	302	-	302	212
GST Receivable	4	-	4	2
Other	52	-	52	-
	$ 358	$ -	$ 358	$ 234

Accounts receivable are unsecured and non-interest bearing.

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 4,228	$ 3,737
Employees Accrued Vacation Pay and Manpower Costs	1,531	1,230
Accrued Supplies and Services	761	423
	$ 6,520	$ 5,390

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Persons with Developmental Disabilities
Edmonton Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 7 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	7 years	$ 17	$ 8	$ 9	$ 10

Note 8 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Service Contracts[a]	$ 4,307	$ 5,516
Long-term Leases[b]	3	3
	$ 4,310	$ 5,519

[a] Actual amounts are dependent on the usage of service.

[b] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 1
2006	1
2007	1
	$ 3

Note 9 Trust Funds Under Administration (thousands of dollars)

The Board administers trust funds. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Board's financial statements.

As at March 31, 2004 trust funds under administration were as follows:

	2004	2003
Client Trust Funds	$ 62	$ 56
Donations to Clients	2	3
	$ 64	$ 59

Persons with Developmental Disabilities
Edmonton Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 10 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies were receiving services prior to the passing of the *Act* but they no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 16 (2003 – 16) individuals that have been included in the Statement of Operations is estimated to be $974 (2003 – $1,000). The total cost for 5 (2003 – 9) agencies that has been included in the Statement of Operations is estimated to be $601 (2003 – $1,412).

Note 11 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 12 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
Edmonton Region Community Board
Expenses – *Directly Incurred* Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower [a]	$ 14,532	$ 14,013	$ 13,392
Supplies and Services	50,070	66,788	56,899
Grants	58,306	45,355	45,743
Amortization of Tangible Capital Assets	2	2	2
	$ 122,910	$ 126,158	$ 116,036

[a] Manpower costs relate to employees who are assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 2

Persons with Developmental Disabilities
Edmonton Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Transfer of Responsibility[a]	Reallocation From Provincial Board[b]	2003-2004 Final Budget
Revenue				
Grant from Persons with Developmental Disabilities Provincial Board	$ 122,908	$ (341)	$ 3,622	$ 126,189
Expenses-Directly Incurred				
Community Living Supports	80,456	(341)	(5,347)	74,768
Employment Supports	5,948	-	838	6,786
Community Access Supports	16,640	-	(2,143)	14,497
Specialized Community Supports	835	-	10,733	11,568
Direct Operations	1,490	-	92	1,582
Supports to Delivery Systems	17,381	-	(392)	16,989
Board Governance	160	-	(40)	120
	122,910	(341)	3,741	126,310
Net Operating Results	$ (2)	$ -	$ (119)	$ (121)

[a] Contracts were transferred to the Department of Community Development effective July 1, 2003.

[b] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Schedule 3

Persons with Developmental Disabilities
Edmonton Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 23	$ -	$ 23	$ 30
Board Members[e]	-	54	-	54	60
Chief Executive Officer[f]	106	16	22	144	126
Assistant Chief Executive Officer[g]	81	6	17	104	99
Executive Director, Residential Services[g]	80	5	16	101	96

(a) Base Salary includes regular base pay.

(b) Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

(c) Other non-cash benefits include payments for pension, health care, dental coverage, group life insurance, short and long term disability plans and WCB premiums. They also include professional membership fees and tuition fees, if any.

(d) These amounts represent honoraria payments made to the chair (occupied by one individual during the year) of the Board.

(e) These amounts represent honoraria payments made to the members of the Board. These positions were occupied by six individuals during the year.

(f) These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

(g) These positions are assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 4

Persons with Developmental Disabilities
Edmonton Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004					2003
		Expenses – Incurred by Others		Valuation Adjustments		
Program	Expenses[a]	Accommodation Costs[b]	Legal Services[c]	Provision for Vacation Pay[d]	Total Expenses	Total Expenses
Community Living Supports	$ 72,478	$ 1,213	$ -	$ (4)	$ 73,687	$ 77,591
Employment Supports	6,503	-	-	-	6,503	5,541
Community Access Supports	14,061	-	-	-	14,061	15,110
Specialized Community Supports	11,051	-	-	-	11,051	678
Direct Operations	1,452	-	-	-	1,452	1,301
Supports to Delivery Systems	20,505	371	13	27	20,916	16,782
Board Governance	108	-	-	-	108	126
	$ 126,158	$ 1,584	$ 13	$ 23	$ 127,778	$ 117,129

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.

[c] Costs shown for Legal Services per Schedule 5.

[d] Provision for Vacation Pay has been allocated based on the actual provision relating to each program.

Persons with Developmental Disabilities
Edmonton Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Developmental Disabilities Provincial Board	$ 126,189	$ 116,105	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 178	$ 235
Department of Government Services	-	-	321	410
Department of Human Resources and Employment	-	-	59	-
Edmonton and Area CFSA	-	-	63	102
	$ -	$ -	$ 621	$ 747

At March 31, 2004, accounts payable of the Board include amounts owing of $86 (2003 – $87) to the Department of Innovation and Science, $72 to the Department of Government Services (2003 – $100) and $63 to the Edmonton and Area CFSA (2003 – $nil).

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 1,584	$ 1,092
Department of Justice	-	-	13	5
	$ -	$ -	$ 1,597	$ 1,097

Persons with Developmental Disabilities Northeast Region Community Board

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Northeast Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Northeast Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Northeast Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 8, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Northeast Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Grant from Persons with Developmental Disabilities Provincial Board	$ 20,697	$ 21,536	$ 19,399
Previous Year's Refund of Expenditures	-	2	40
	20,697	21,538	19,439
Expenses – Directly Incurred (Note 2(b) and Schedule 1)			
Programs			
Community Living Supports	10,879	10,255	9,514
Employment Supports	1,729	1,751	1,584
Community Access Supports	3,388	3,583	3,250
Specialized Community Supports	434	460	398
Supports to Delivery Systems	4,136	5,008	4,199
Board Governance	131	115	126
	20,697	21,172	19,071
Valuation Adjustments (Schedule 4)	-	51	(14)
	20,697	21,223	19,057
Net Operating Results	$ -	$ 315	$ 382

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northeast Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 3,017	$ 2,541
Accounts Receivable (Note 3)	2	7
Advances	-	5
	$ 3,019	$ 2,553
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 1,146	$ 995
Net Assets		
Net Assets, Beginning of Year	1,558	1,176
Net Operating Results	315	382
Net Assets, End of Year	1,873	1,558
	$ 3,019	$ 2,553

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northeast Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 315	$ 382
Non-Cash Items		
Valuation Adjustments	51	(14)
	366	368
Decrease in Accounts Receivable	5	7
Decrease in Advances	5	-
Increase in Accounts Payable and Accrued Liabilities [a]	100	141
Cash Provided by Operating Transactions	476	516
Cash, Beginning of Year	2,541	2,025
Cash, End of Year	$ 3,017	$ 2,541

[a] Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northeast Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Northeast Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons With Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

- Amortization of capital assets;
- Valuation adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities, and
- Employees are assigned to the board through an arrangement with the Department of Community Development. The cost of their salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Expenses Reported on the Statement of Operations

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports –expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to the community.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Description of Expenses Reported on the Statement of Operations (continued)

Supports to Delivery Systems – expenses incurred to provide administrative and financial support for program delivery.

Board Governance –expenses incurred in support of Board related activities.

Expenses Incurred by Others

Services contributed by other entities in support of the Board Operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets

Net assets represent the difference between the carrying value of assets held by the board and its liabilities.

Persons with Developmental Disabilities
Northeast Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
GST Receivable	$ 2	$ -	$ 2	$ 7

Accounts receivable are unsecured and non-interest bearing.

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 768	$ 726
Employees Accrued Vacation Pay and Manpower Costs	201	94
Accrued Supplies and Services	177	175
	$ 1,146	$ 995

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable, and accrued liabilities are estimated to approximate their book values.

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Note 7 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Service Contracts[a]	$ 8,369	$ -
Long-term Leases[b]	32	34
	$ 8,401	$ 34

[a] Actual amounts are dependent on the usage of service. The aggregate amount payable for service contracts are as follows:

2005	$ 7,545
2006	824
	$ 8,369

[b] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 16
2006	10
2007	6
	$ 32

Note 8 Grandfathered Individuals (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies were receiving services prior to the passing of the *Act* but they no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 11 (2003 – 12) individuals that has been included in the Statement of Operations is estimated to be $338 (2003 – $195).

Persons with Developmental Disabilities
Northeast Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 9 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 10 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
Northeast Region Community Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower[a]	$ 1,367	$ 1,300	$ 978
Supplies and Services	8,665	10,530	8,911
Grants	10,665	9,342	9,182
	$ 20,697	$ 21,172	$ 19,071

[a] Manpower costs relate to employees assigned to the Board from the Department of Community Development and are not employees of the Board.

Persons with Developmental Disabilities
Northeast Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Reallocation From Provincial Board[a]	2003-2004 Final Budget
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 20,697	$ 839	$ 21,536
Expenses – Directly Incurred			
Community Living Supports	10,879	(319)	10,560
Employment Supports	1,729	96	1,825
Community Access Supports	3,388	245	3,633
Specialized Community Supports	434	18	452
Supports to Delivery Systems	4,136	781	4,917
Board Governance	131	26	157
	20,697	847	21,544
Net Operating Results	$ -	$ (8)	$ (8)

[a] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Schedule 3

Persons with Developmental Disabilities
Northeast Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary(a)	Other Cash Benefits(b)	Other Non-Cash Benefits(c)	Total	Total
Chair of the Board(d)	$ -	$ 20	$ -	$ 20	$ 22
Board Members(d)(e)	-	46	-	46	55
Chief Executive Officer(g)	93	19	20	132	118
Manager, Finance and Monitoring(h)	37	5	9	51	-

(a) Base Salary includes pensionable base pay.

(b) Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

(c) Other non-cash benefits include payments for pension, health care, dental and group life insurance, short and long term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

(d) These amounts represent honoraria payments made to the Chair (occupied by one individual during the year) and Members of the Board.

(e) These positions were occupied by nine individuals during the year.

(f) Executives are assigned to the Board from the Department of Community Development and are not employees of the Board.

(g) These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

(h) Payments since October 1, 2003 when this individual transferred from Government Services to the Department of Community Development. Previously the functions of this position were performed by a number of staff through a contract with Government Services.

Persons with Developmental Disabilities
Northeast Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004					2003
		Expenses – Incurred by Others		Valuation Adjustments		
Program	Expenses(a)	Accommodation Costs(b)	Legal Services(c)	Provision for Vacation Pay(d)	Total Expenses	Total Expenses
Community Living Supports	$ 10,255	$ -	$ -	$ -	$ 10,255	$ 9,514
Employment Supports	1,751	-	-	-	1,751	1,584
Community Access Supports	3,583	-	-	-	3,583	3,250
Specialized Community Supports	460	-	-	-	460	398
Supports to Delivery Systems	5,008	86	1	51	5,146	4,264
Board Governance	115	-	-	-	115	126
	$ 21,172	$ 86	$ 1	$ 51	$ 21,310	$ 19,136

(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(b) Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.
(c) Costs shown for Legal Services per Schedule 5.
(d) Provision for Vacation Pay and Overtime Pay has been allocated based on the actual provision relating to each program.

Schedule 5

Persons with Developmental Disabilities
Northeast Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Ministry of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Developmental Disabilities Provincial Board	$ 21,536	$ 19,399	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 30	$ 39
Department of Government Services	-	-	192	300
	$ -	$ -	$ 222	$ 339

At March 31, 2004, accounts payable of the Board included amounts owing of $14 (2003 – $8) to the Department of Innovation and Science, $2 (2003 – $2) to the Department of Finance and $16 (2003 – $73) to the Department of Government Services.

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 86	$ 76
Department of Justice	-	-	1	3
	$ -	$ -	$ 87	$ 79

Persons with Developmental Disabilities Northwest Region Community Board

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Financial Statements

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Persons with Developmental Disabilities
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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Board of Directors of the Persons with Developmental Disabilities Northwest Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Northwest Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Northwest Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 9, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Northwest Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 15,639	$ 16,232	$ 15,048
Previous Year's Refund of Expenditures	-	7	5
	15,639	16,239	15,053
Expenses – Directly Incurred (Note 2b and Schedule 1)			
Programs			
Community Living Supports	9,008	8,217	8,163
Employment Supports	1,194	1,165	1,129
Community Access Supports	1,783	2,353	1,947
Specialized Community Supports	268	435	344
Supports to Delivery Systems	3,252	3,596	3,295
Board Governance	134	149	115
	15,639	15,915	14,993
Valuation Adjustments (Schedule 4)	-	(3)	7
	15,639	15,912	15,000
Net Operating Results	$ -	$ 327	$ 53

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northwest Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 1,208	$ 807
Accounts Receivable (Note 3)	2	8
Tangible Capital Assets (Note 7)	16	-
	$ 1,226	$ 815
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 878	$ 794
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	21	(32)
Net Operating Results	327	53
Net Assets, End of Year	348	21
	$ 1,226	$ 815

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northwest Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 327	$ 53
Non-Cash Items		
Valuation Adjustments	(3)	7
	324	60
Decrease (Increase) in Accounts Receivable	6	(7)
Increase in Accounts Payable and Accrued Liabilities[a]	87	27
Cash Provided by Operating Transactions	417	80
Investing Transactions		
Purchase of Tangible Capital Assets	(16)	-
Increase in Cash	401	80
Cash, Beginning of Year	807	727
Cash, End of Year	$ 1,208	$ 807

[a] Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Northwest Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Northwest Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons with Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

- Amortization of tangible capital assets;

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of their salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Expenses Reported on the Statement of Operations

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports – expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to community.

Supports to Delivery System – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Persons with Developmental Disabilities
Northwest Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

Tangible capital assets of the Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets (Liabilities)

Net assets represent the difference between the carrying values of assets held by the Board and its liabilities.

Persons with Developmental Disabilities
Northwest Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accrued C.E.R. Receivable	$ -	$ -	$ -	$ 6
GST Receivable	2	-	2	2
	$ 2	$ -	$ 2	$ 8

Accounts receivable are unsecured and non-interest bearing.

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 655	$ 604
Employees Accrued Vacation Pay and Manpower Costs	145	119
Accrued Supplies and Services	78	71
	$ 878	$ 794

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Persons with Developmental Disabilities
Northwest Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Note 7 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold Improvements	2 years	$ 16	$ -	$ 16	$ -

Note 8 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Long-term Leases[a]	$ 24	$ 55

[a] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 14
2006	10
	$ 24

Note 9 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies were receiving services prior to the passing of the *Act* but they no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 5 (2003 – 5) individuals that has been included in the Statement of Operations is estimated to be $26 (2003 – $40).

Note 10 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 11 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
Northwest Region Community Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower [a]	$ 1,035	$ 1,163	$ 1,049
Supplies and Services	6,395	7,114	6,254
Grants	8,209	7,638	7,690
	$ 15,639	$ 15,915	$ 14,993

[a] Manpower costs relate to employees assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 2

Persons with Developmental Disabilities
Northwest Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Reallocation From Provincial Board[a]	2003-2004 Final Budget
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 15,639	$ 593	$ 16,232
Expenses – Directly Incurred			
Community Living Supports	9,008	(508)	8,500
Employment Supports	1,194	14	1,208
Community Access Supports	1,783	592	2,375
Specialized Community Supports	268	207	475
Supports to Delivery Systems	3,252	270	3,522
Board Governance	134	-	134
	15,639	575	16,214
Net Operating Results	$ -	$ -	$ 18
Capital Expenditures	$ -	$ 25	$ 25

[a] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Schedule 3

Persons with Developmental Disabilities
Northwest Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 23	$ -	$ 23	$ 25
Board Members[e]	-	63	-	63	49
Chief Executive Officer[f]	105	12	17	134	113
Community Resource Manager[g][h]	71	2	12	85	87
Finance Manager[g]	57	4	13	74	68

[a] Base Salary includes pensionable base pay.

[b] Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

[c] Other non-cash benefits include payments for pension, health care, dental and medical coverage, group life insurance, short and long term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

[d] These amounts represent honoraria payments made to the Chair (occupied by one individual during the year).

[e] These positions were occupied by eight individuals during the year.

[f] These payments are made to the Chief Executive Officer (occupied by two individuals during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

[g] Executives are assigned to the Board by the Department of Community Development and are not employees of the Board.

[h] The position of Community Resource Manager was occupied by three individuals during the year.

Schedule 4

Persons with Developmental Disabilities
Northwest Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004					2003
		Expenses – Incurred by Others		Valuation Adjustments		
Program	Expenses[a]	Accommodation Costs[b]	Legal Services[c]	Provision for Vacation Pay[d]	Total Expenses	Total Expenses
Community Living Supports	$ 8,217	$ -	$ -	$ -	$ 8,217	$ 8,163
Employment Supports	1,165	-	-	-	1,165	1,129
Community Access Supports	2,353	-	-	-	2,353	1,947
Specialized Community Supports	435	-	-	-	435	344
Supports to Delivery Systems	3,596	83	5	(3)	3,681	3,394
Board Governance	149	-	-	-	149	115
	$ 15,915	$ 83	$ 5	$ (3)	$ 16,000	$ 15,092

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[b] Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.

[c] Costs shown for Legal Services per Schedule 5.

[d] Provision for Vacation Pay has been allocated based on the actual provision relating to each program.

Schedule 5

Persons with Developmental Disabilities
Northwest Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Developmental Disabilities Provincial Board	$ 16,232	$ 15,048	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 23	$ 30
Department of Government Services	-	-	172	144
	$ -	$ -	$ 195	$ 174

At March 31, 2004, accounts payable of the Board included amounts owing of $11 (2003 – $8) to the Department of Innovation and Science and $33 (2003 – $39) to the Department of Government Services.

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 83	$ 89
Department of Justice	-	-	5	4
	$ -	$ -	$ 88	$ 93

Persons with Developmental Disabilities Provincial Board

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March 31, 2004

Persons with Developmental Disabilities
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AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities Provincial Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities Provincial Board as at March 31, 2004 and the statements of operations, changes in net assets, and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities Provincial Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
Provincial Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Department of Community Development	$ 441,037	$ 440,696	$ 404,227
Previous Year's Refund of Expenditures	500	65	82
Interest Income	-	289	180
	441,537	441,050	404,489
Expenses – Directly Incurred (Note 2b and Schedule 1)			
Programs			
Board Governance	148	173	159
Supports to Delivery System	21,277	7,008	5,577
Grants to Persons with Developmental Disabilities Community Boards:			
Northwest Region Community Board	15,639	16,232	15,048
Northeast Region Community Board	20,697	21,536	19,399
Edmonton Region Community Board	122,908	126,189	116,105
Central Region Community Board	111,966	113,720	107,108
Calgary Region Community Board	102,473	106,492	96,663
South Region Community Board	47,111	48,134	44,456
	442,219	439,484	404,515
Valuation Adjustments (Schedule 4)	-	(12)	173
	442,219	439,472	404,688
Net Operating Results	$ (682)	$ 1,578	$ (199)

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Provincial Board
Statement of Changes in Net Assets
Year ended March 31, 2004
(thousands of dollars)

	2004			2003		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Net Assets, Opening Balance	$ 2,502	$ 2,788	$ 5,290	$ 2,502	$ 2,987	$ 5,489
Operating Income	-	1,578	1,578	-	(199)	(199)
Net Assets, Closing Balance	$ 2,502	$ 4,366	$ 6,868	$ 2,502	$ 2,788	$ 5,290

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Provincial Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 4,829	$ 3,387
Accounts Receivable (Note 3)	40	39
Long Term Investments (Note 8)	3,168	2,879
Tangible Capital Assets (Note 7)	71	135
	$ 8,108	$ 6,440
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 1,240	$ 1,150
Net Assets		
Net Assets, Beginning of Year	5,290	5,489
Net Operating Results	1,578	(199)
Net Assets at End of Year	6,868	5,290
	$ 8,108	$ 6,440

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Provincial Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ 1,578	$ (199)
Non Cash Items		
Amortization	64	65
Valuation Adjustments	(12)	173
	1,630	39
Decrease (Increase) in Accounts Receivable	(1)	603
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	102	(682)
Cash Provided (Used) by Operating Transactions	1,731	(40)
Investing Transactions		
Investment in Bond Fund	(289)	(176)
Increase (Decrease) in Cash	1,442	(216)
Cash, Beginning of Year	3,387	3,603
Cash, End of Year	$ 4,829	$ 3,387

[a] Adjusted for valuation adjustments.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Provincial Board (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development. Through advocacy and service, the Board helps adults with developmental disabilities to live as independently as possible within the community.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry), and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Department of Community Development for its funding. This funding is allocated in a manner approved by the Minister.

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

- Amortization of tangible capital assets;
- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred Expenses (continued)

management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and

- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of their salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Program Expenses Reported on the Statement of Operations

Supports to Delivery System – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

Tangible capital assets of the Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets

Net assets represents the difference between the value of assets held by the Board and its liabilities.

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
GST Receivable	$ 1	$ -	$ 1	$ -
Investment Income	38	-	38	39
Other	1	-	1	-
	$ 40	$ -	$ 40	$ 39

Accounts receivable are unsecured and non-interest bearing.

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Employees Accrued Vacation Pay and Manpower Costs	$ 475	$ 485
Accrued Supplies and Services	765	665
	$ 1,240	$ 1,150

Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Note 7 Tangible Capital Assets (thousands of dollars)

		2004			2003
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	5-10 years	$ 1,227	$ 1,227	$ 20	$ 23
Computer hardware and software	5-7 years	969	918	51	112
Other	3 years	39	39	-	-
		$ 2,235	$ 2,164	$ 71	$ 135

Note 8 Long Term Investments (thousands of dollars)

	2004	2003
Bond Fund		
Restricted	$ 2,502	$ 2,502
Unrestricted	666	377
	$ 3,168	$ 2,879

The market value at March 31, 2004 is $3,311 (2003 – $2,992).
Contributions to the fund have been externally restricted. The income from the fund is unrestricted.

Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 9 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Service Contracts[a]	$ 389	$ -

[a] The actual amounts are dependent on the usage of service.

Note 10 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 11 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
Provincial Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower[a][b]	$ 6,388	$ 2,420	$ 2,085
Supplies and Services[b]	7,871	4,681	3,436
Grants[b]	427,278	432,319	398,929
Amortization of Tangible Capital Assets	80	64	65
Financial Transactions and Other	602	-	-
	$ 442,219	$ 439,484	$ 404,515

[a] Manpower costs relate to employees assigned to the Board from the Department of Community Development and are not employees of the Board.

[b] Certain budgeted costs have been reclassified during the year to grants for the purpose of allocating resources to the Persons with Developmental Disabilities Community Boards.

Schedule 2

Persons with Developmental Disabilities
Provincial Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Transfer of Responsibility[a]	Provincial Board Reallocation[b]	2003-2004 Final Budget
Revenue				
Grant from Department of Community Development	$ 441,037	$ (341)	$ -	$ 440,696
Prior Year Revenue	500	-	-	500
	441,537	(341)	-	441,196
Expenses				
Board Governance	148	-	15	163
Support to Delivery Systems	21,277	-	(12,457)	8,820
Grant to:				
Northwest Region Community Board	15,639	-	593	16,232
Northeast Region Community Board	20,697	-	839	21,536
Edmonton Region Community Board	122,908	(341)	3,622	126,189
Central Region Community Board	111,966	-	1,754	113,720
Calgary Region Community Board	102,473	-	4,019	106,492
South Region Community Board	47,111	-	1,023	48,134
	442,219	(341)	(592)	441,286
Net Operating Results	$ (682)	$ -	$ 592	$ (90)

[a] Contracts were transferred to the Department of Community Development effective July 1, 2003.
[b] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Schedule 3

Persons with Developmental Disabilities
Provincial Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 35	$ -	$ 35	$ 27
Board Members[e]	-	76	-	76	63
Chief Executive Officer[f]	107	16	22	145	134
Executive Director, Finance and Information Technology Services[g]	85	7	18	110	103
Executive Director, Strategic and Organizational Development[g]	83	7	16	106	98
Director, Human Resources[g][h]	75	6	17	98	80
Manager, Business Planning[g]	75	6	16	97	89

(a) Base Salary includes pensionable base pay.

(b) Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

(c) Other non-cash benefits include payments for pension, health care, dental and medical coverage, group life insurance, short and long term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

(d) These amounts represent honoraria payments made to the Chair (occupied by one individual during the year) of the Board.

(e) There are 14 board member positions (1 vice chair, 7 members-at-large and 6 community board chairs) that were occupied for varying lengths of time during the year. These amounts represent honoraria payments made to the vice chair, 7 members-at-large and appeal honoraria payments for all board members.

(f) These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

(g) Executive are assigned to the Board from the Department of Community Development and are not employees of the Board.

(h) The position of Director, Human Resources was occupied by two individuals in 2003.

Schedule 4

Persons with Developmental Disabilities
Provincial Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004					2003
		Expenses – Incurred by Others		Valuation Adjustments		
Program	Expenses[a]	Accommodation Costs[b]	Legal Services[c]	Provision for Vacation Pay[d]	Total Expenses	Total Expenses
Board Governance	$ 173	$ -	$ -	$ -	$ 173	$ 159
Support to Delivery Systems	7,008	141	16	(12)	7,153	5,921
Grants to Persons with Developmental Disabilities Community Boards						
Northwest Region Community Board	16,232	-	-	-	16,232	15,048
Northeast Region Community Board	21,536	-	-	-	21,536	19,399
Edmonton Region Community Board	126,189	-	-	-	126,189	116,105
Central Region Community Board	113,720	-	-	-	113,720	107,108
Calgary Region Community Board	106,492	-	-	-	106,492	96,663
South Region Community Board	48,134	-	-	-	48,134	44,456
	$ 439,484	$ 141	$ 16	$ (12)	$ 439,629	$ 404,859

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
[b] Costs shown for Accommodation (including grants in lieu of taxes) per Schedule 5.
[c] Costs shown for Legal Services per Schedule 5.
[d] Provision for Vacation Pay and Overtime Pay have been allocated based on the actual provision relating to each program.

Schedule 5

Persons with Developmental Disabilities
Provincial Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded at the amount of consideration agreed upon between the parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Department of Community Development	$ 440,696	$ 404,227	$ -	$ -
Expenses				
Grants to Persons with Developmental Disabilities Community Boards:				
Northwest Region Community Board	$ 16,232	$ 15,048	$ -	$ -
Northeast Region Community Board	21,536	19,399	-	-
Edmonton Region Community Board	126,189	116,105	-	-
Central Region Community Board	113,720	107,108	-	-
Calgary Region Community Board	106,492	96,663	-	-
South Regional Community Board	48,134	44,456	-	-
Other Services	-	-	1,928	1,676
	$ 432,303	$ 398,779	$ 1,928	$ 1,676

As at March 31, 2004, accounts payable of the Board include a total of $539 (2003 – $507) owing to related parties for Other Services.

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 141	$ 143
Department of Justice	-	-	16	28
	$ -	$ -	$ 157	$ 171

Persons with Developmental Disabilities South Region Community Board

Financial Statements

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Persons with Developmental Disabilities
South Region Community Board
Financial Statements
March 31, 2004

Auditor's Report

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Schedule 4 – Allocated Costs

Schedule 5 – Related Party Transactions

AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities South Region Community Board and the Minister of Community Development

I have audited the statement of financial position of the Persons with Developmental Disabilities South Region Community Board as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Persons with Developmental Disabilities South Region Community Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

I also report that, as described in Note 8, the Board made certain payments that did not comply with the *Persons with Developmental Disabilities Community Governance Act.*

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 14, 2004

Persons with Developmental Disabilities
South Region Community Board
Statement of Operations
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget (Schedule 2)	Actual	Actual
Revenues			
Grant from Persons with Developmental Disabilities Provincial Board	$ 47,111	$ 48,134	$ 44,456
Previous Year's Refund of Expenditures	-	24	127
	47,111	48,158	44,583
Expenses – Directly Incurred (Note 2(b) and Schedule 1)			
Programs			
Community Living Supports	25,874	26,891	24,418
Employment Supports	2,824	2,588	2,495
Community Access Supports	10,150	10,077	9,802
Specialized Community Supports	319	302	297
Supports to Delivery Systems	7,850	8,283	7,296
Board Governance	94	137	91
	47,111	48,278	44,399
Valuation Adjustments (Schedule 4)	-	4	18
	47,111	48,282	44,417
Net Operating Results	$ -	$ (124)	$ 166

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
South Region Community Board
Statement of Financial Position
As at March 31, 2004
(thousands of dollars)

	2004	2003
Assets		
Cash	$ 1,196	$ 1,177
Accounts Receivable (Note 3)	13	16
	$ 1,209	$ 1,193
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	$ 1,307	$ 1,167
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	26	(140)
Net Operating Results	(124)	166
Net Assets (Liabilities), End of Year	(98)	26
	$ 1,209	$ 1,193

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
South Region Community Board
Statement of Cash Flow
Year ended March 31, 2004
(thousands of dollars)

	2004	2003
Operating Transactions		
Net Operating Results	$ (124)	$ 166
Non-cash Items		
Valuation Adjustments	4	18
	(120)	184
Decrease (Increase) in Accounts Receivable	3	(11)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[(a)]	136	(450)
Cash Provided by Operating Transactions	19	(277)
Cash, Beginning of Year	1,177	1,454
Cash, End of Year	$ 1,196	$ 1,177

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Persons with Developmental Disabilities
South Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 1 Authority and Purpose

The South Region Community Board for Persons with Developmental Disabilities (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act.*

The Board reports to the Ministry of Community Development through the Persons with Developmental Disabilities Provincial Board. The Board has the responsibility to help adults with developmental disabilities to live as independently as possible by providing advocacy and a variety of services within the region.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government. The Canadian Institute of Chartered Accountants is the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Board, which is part of the Ministry of Community Development (the Ministry) and for which the Minister of Community Development (the Minister) is accountable. The financial statements of the Ministry provide a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

The Board is economically dependent upon the Persons with Developmental Disabilities Provincial Board for its funding. This funding is allocated in a manner approved by the Minister.

(b) Basis of Financial Reporting

Expenses

Directly Incurred Expenses

Directly incurred expenses are those costs the Board has primary responsibility and accountability for, as reflected in the government's budget documents. Directly incurred expenses also include:

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred Expenses (continued)

- Valuation Adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- Employees are assigned to the Board through an arrangement with the Department of Community Development. The cost of salaries, wages and benefits are included in Manpower Expense. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Description of Expenses Reported on the Statement of Operations

Community Living Supports – expenses incurred to assist adults with developmental disabilities to live in a home of their choice.

Employment Supports – expenses incurred to assist adults with developmental disabilities in gaining and maintaining employment.

Community Access Supports – expenses incurred to assist adults with developmental disabilities to participate in community activities and personal development activities.

Specialized Community Supports – expenses incurred to provide other unique supports that are needed to assist adults with developmental disabilities in their environment or to enhance their access to the community.

Supports to Delivery Systems – expenses incurred to provide administrative and financial support for program delivery.

Board Governance – expenses incurred in support of Board related activities.

Expenses Incurred by Others

Services contributed by other entities in support of the Board operations are disclosed in Schedule 5 and the amounts are not reported in the Statement of Operations.

Persons with Developmental Disabilities
South Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets of the Board include cash and financial claims, such as receivables from other organizations.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end.

Net Assets (Liabilities)

Net assets (liabilities) represents the difference between the carrying value of assets held by the Board and its liabilities.

Note 3 Accounts Receivable (thousands of dollars)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Child & Family Services Authority	$ 12	$ -	$ 12	$ 15
GST Receivable	1	-	1	1
	$ 13	$ -	$ 13	$ 16

Accounts receivable are unsecured and non-interest bearing.

Persons with Developmental Disabilities
South Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 4 Accounts Payable and Accrued Liabilities (thousands of dollars)

	2004	2003
Accrued Grants to Individuals	$ 1,018	$ 918
Employees Accrued Vacation Pay and Manpower Costs	206	166
Accrued Supplies and Services	83	83
	$ 1,307	$ 1,167

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 6 Voluntary Contributions

These financial statements do not include amounts relating to voluntary contributions received for materials and services.

Note 7 Commitments (thousands of dollars)

As at March 31, 2004, the Board has the following commitments:

	2004	2003
Service Contracts[a]	$ 4,791	$ 3,597
Long-term Leases[b]	10	19
	$ 4,801	$ 3,616

[a] The actual amounts are dependent on the usage of service.

[b] The Board leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 9
2006	1
	$ 10

Persons with Developmental Disabilities
South Region Community Board
Notes to the Financial Statements
Year ended March 31, 2004

Note 8 Grandfathered Clients (thousands of dollars)

When the *Persons with Developmental Disabilities Community Governance Act* (the *Act*) was passed by the Alberta Legislature in 1997, the new legislation narrowed the service mandate from the previous disability supports program and established eligibility criteria.

Certain individuals and agencies were receiving services prior to the passing of the *Act* but they no longer met the new criteria for Persons with Developmental Disabilities (PDD).

In response to a recommendation from the *Building Better Bridges* Report, Government directed that PDD Boards continue providing services to these individuals and agencies until service responsibility is handed-off to a more appropriate provincial program. Accordingly, expenses related to these grandfathered individuals and agencies do not comply with the *Act*.

The total cost of these services for 16 (2003 – 16) individuals that has been included in the Statement of Operations is estimated to be $361 (2003 – $425).

Note 9 Services Provided by Regional Health Authorities (thousands of dollars)

The Board incurred $2,125 (2003 - $2,063) and $2,558 (2003 - $2,484) for contract services rendered by the Chinook Regional Health Authority and the Palliser Regional Health Authority, respectively. These transactions were recorded at the amount of consideration agreed upon between the parties.

Note 10 Comparative Figures

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 11 Approval of Financial Statements

The financial statements were prepared by management and approved by the Board.

Schedule 1

Persons with Developmental Disabilities
South Region Community Board
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2004
(thousands of dollars)

	2004		2003
	Budget	Actual	Actual
Manpower [a]	$ 1,187	$ 1,297	$ 1,180
Supplies and Services	29,436	33,461	28,871
Grants	16,488	13,520	14,348
	$ 47,111	$ 48,278	$ 44,399

[a] Manpower costs relate to employees assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 2

Persons with Developmental Disabilities
South Region Community Board
Budget
Year ended March 31, 2004
(thousands of dollars)

	2003-2004 Budget	Reallocation From Provincial Board[a]	2003-2004 Final Budget
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	$ 47,111	$ 1,023	$ 48,134
Expenses – Directly Incurred			
Community Living Supports	25,874	429	26,303
Employment Supports	2,824	(136)	2,688
Community Access Supports	10,150	408	10,558
Specialized Community Supports	319	1	320
Supports to Delivery Systems	7,850	325	8,175
Board Governance	94	4	98
	47,111	1,031	48,142
Net Operating Results	$ -	$ (8)	$ (8)

[a] Budget adjustments were approved by the Provincial Board on June 18, 2003 and March 11, 2004.

Persons with Developmental Disabilities
South Region Community Board
Salary and Benefits Disclosure
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
	Base Salary [a]	Other Cash Benefits [b]	Other Non-cash Benefits[c]	Total	Total
Chair of the Board[d]	$ -	$ 17	$ -	$ 17	$ 19
Board Members[e]	-	30	-	30	25
Chief Executive Officer[f]	106	15	5	126	116
Manager, Community Resources[g]	73	5	15	93	87
Manager, Finance[g]	68	4	15	87	82

[a] Base Salary includes pensionable base pay.

[b] Other cash benefits include bonuses, overtime, lump sum payments and honoraria.

[c] Other non-cash benefits include payments for pension, health care, dental and medical coverage, group life insurance, short and long-term disability plans and WCB premiums. They also include any professional membership fees and tuition fees, if any.

[d] These amounts represent honoraria payments made to the Chair (occupied by one individual during the year) of the Board.

[e] There are 6 board member positions that were occupied for varying lengths of time during the year. These amounts represent honoraria payments made for all board members.

[f] These payments are made to the Chief Executive Officer (occupied by one individual during the year) under contract with the Department of Community Development. The Chief Executive Officer is assigned to the Board under an arrangement with the Department of Community Development.

[g] Managers are assigned to the Board from the Department of Community Development and are not employees of the Board.

Schedule 4

Persons with Developmental Disabilities
South Region Community Board
Allocated Costs
Year ended March 31, 2004
(thousands of dollars)

	2004				2003
		Expenses-Incurred by Others	Valuation Adjustments		
Program	Expenses[a]	Accommodation Costs[b]	Provision for Vacation Pay[c]	Total Expenses	Total Expenses
Community Living Supports	$ 26,891	$ 79	$ -	$ 26,970	$ 24,488
Employment Supports	2,588	-	-	2,588	2,495
Community Access Supports	10,077	-	-	10,077	9,802
Specialized Community Supports	302	-	-	302	297
Supports to Delivery Systems	8,283	97	4	8,384	7,412
Board Governance	137	-	-	137	91
	$ 48,278	$ 176	$ 4	$ 48,458	$ 44,585

[a] Expenses – Directly Incurred as per Statement of Operations excluding valuation adjustments.

[b] Costs shown for Accommodation (including grants in lieu taxes) per Schedule 5.

[c] Provisions for Vacation Pay has been allocated based on actual provision relating to each program.

Persons with Developmental Disabilities
South Region Community Board
Related Party Transactions
Year ended March 31, 2004
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board.

The Board and the employees seconded to it from the Department of Community Development paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Revenues				
Persons with Development Disabilities				
Provincial Board	$ 48,134	$ 44,456	$ -	$ -
Expenses				
Department of Innovation and Science	$ -	$ -	$ 68	$ 90
Department of Government Services	-	-	85	119
	$ -	$ -	$ 153	$ 209

At March 31, 2004, accounts payable of the Board includes amounts owing of $9 (2003 - $22) to the Department of Innovation and Science and $15 (2003 - $29) to the Department of Government Services.

At March 31, 2004, accounts receivable of the Board includes amounts owing of $7 (2003 - $0) from Southeast Alberta Child and Family Services Authority and $5 (2003 - $15) from Southwest Alberta Child and Family Services Authority.

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2004	2003	2004	2003
Expenses – Incurred by Others				
Department of Infrastructure	$ -	$ -	$ 176	$ 166
Department of Justice	-	-	-	2
	$ -	$ -	$ 176	$ 168

The Following Information is Unaudited

Ministry of Community Development
Statement of Remissions, Compromises and Write-Offs
For the year ended March 31, 2004
(Unaudited)

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act*. This statement includes all remissions, compromises and write-offs made or approved during the fiscal period.

Write-offs	
Accounts Receivable	$ 1,428
Total write-offs	$ 1,428

Alphabetical List Of Entities' Financial Information In Ministry 2003-04 Annual Reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Agriculture Financial Services Corporation[1]	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Capital Finance Authority	Finance
Alberta Dairy Control Board[2]	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation	Community Development
Alberta Insurance Council	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities: Calgary and Area Child and Family Services Authority Central Alberta Child and Family Services Authority East Central Alberta Child and Family Services Authority Edmonton and Area Child and Family Services Authority North Central Alberta Child and Family Services Authority Northeast Alberta Child and Family Services Authority Northwest Alberta Child and Family Services Authority Southeast Alberta Child and Family Services Authority Southwest Alberta Child and Family Services Authority Metis Settlements Child and Family Services Authority	Children's Services
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta[1]	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness

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[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

[2] Dissolved August 1, 2003

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[3]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[3]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[3]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[3]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[3]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[3]	Human Resources and Employment
Ministry of Infrastructure[3]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[3]	International and Intergovernmental Relations
Ministry of Justice[3]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[3]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[3]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Boards:	Community Development
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
Provincial Board	
South Region Community Board	

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[3] Ministry includes only the departments so separate department financial statements are not necessary.

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment

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Alberta
COMMUNITY DEVELOPMENT

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